



(Please scan this QR code to view the DRHP)

Draft Red Herring Prospectus

Dated: September 28, 2024

Read with Section 26 and 32 of the Companies Act, 2013

(This is Draft Red Herring Prospectus will be updated upon filing with ROC)

100% Book Built Issue

AMSTER

AMSTER LABS LIMITED

Corporate Identification Number: U21001CH2024PLC045445

| REGISTERED OFFICE | CORPORATE OFFICE | CONTACT PERSON | EMAIL & TELEPHONE | WEBSITE |
|--|------------------|--|---|--|
| SCO 166-167, Level 1, Sector 9C, Madhya Marg, Sector 9, Chandigarh, India, 160009 | NA | Ms. Shweta, Company Secretary & Compliance Officer | E-mail: CS@amsterlabs.in Telephone: 0172-4183370 | www.amster.in |

NAME OF PROMOTER(S) OF THE COMPANY

Mr. Uttamjit Singh Sabharwal, Ms. Bharminder Kaur Sabharwal, Mr. Rajinder Raheja, Mr. Satyan Anand, Mr. Amit Gupta and Mr. Rishabh Raheja

DETAILS OF ISSUE

| Type | Fresh Issue Size (by amount in Rs. Lakh) | OFS* Size (by amount in Rs. Lakh) | Eligibility |
|-------------|---|--------------------------------------|---|
| Fresh Issue | Upto 53,08,800 Equity Shares having face value of Rs. 10/- each aggregating up to Rs. [●] | Nil | The Issue is being made in terms regulation 229(1) of SEBI (ICDR) Regulations, 2018 as amended. For details in relation to share Reservation among QIBs, NIIs and RIIs, see "Issue Structure" on page 391 of this Draft Red Herring Prospectus. |

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹10/- each. The Floor Price, Cap Price and the Issue Price (as determined by our Company, in consultation with the BRLM, in accordance with SEBI (ICDR) Regulations, and as stated in "Basis for Issue Price" beginning on [●] should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to section titled "Risk Factors" appearing on page no. 31 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares of our company offered through Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").

| LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE |
|---|--|
|  Fastrack Finsec Category-I Merchant Banker FAST TRACK FINSEC PRIVATE LIMITED SEBI Registration No. INM000012500 Office No. V-116, 1 st Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001 Tel No.: +91-11-43029809 Contact Person: Ms. Sakshi / Ms. Shefali Email: mb@ftfinsec.com ; investor@ftfinsec.com Website: www.ftfinsec.com |  SKYLINE FINANCIAL SERVICES PRIVATE LIMITED SEBI Registration No.: INR000003241 D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020 Tel No: +91-11-40450193-97; Fax No: +91-11-26812683 Contact Person: Mr. Anuj Rana Email: ipo@skylinerta.com Website: www.skylinerta.com |

OFFER PROGRAMME

| ANCHOR PORTION ISSUE OPENS/CLOSES ON : [●] | ISSUE OPENS ON: [●] | ISSUE CLOSES ON: [●] |
|--|---------------------|----------------------|
| | | |

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

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

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



(Please scan this QR code to view the DRHP)

Draft Red Herring Prospectus

Dated: September 28, 2024

Read with Section 26 and 32 of the Companies Act, 2013

(This is Draft Red Herring Prospectus will be updated upon filing with ROC)

100% Book Built Issue

AMSTER

AMSTER LABS LIMITED

Our company was initially established as a sole proprietorship under the name and style of "M/s Udai Gas & Electrical Appliances," with its principal place of business located at Khasra No. 45 & 46, Village Papoli, Ambota (Parwanoo), Tehsil Kasauli, Distt. Solan, Himachal Pradesh-173220. Furthermore, pursuant to a partnership deed dated September 17, 2014, executed by Mr. Rakesh Narang, Mr. Anil Anand, and Mr. Uttamjit Singh, it was converted into a partnership firm to conduct business in the manufacturing of LPG cooktops, electrical chimneys, geysers, electrical irons, and related products. On September 30, 2014, the partnership deed was reconstituted following the retirement of Mr. Rakesh Narang, resulting in a change to the profit and loss sharing ratio. Subsequently, on November 3, 2014, the partnership's name and business focus were changed to "M/s Amster Labs," to engage in the manufacturing and trading of pharmaceutical, cosmetic, and nutraceutical products. Further, the Partnership Firm was converted into Public Limited Company "Amster Labs Limited" on January 01, 2024, pursuant to Part I of Chapter XXI of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U21001CH2024PLC045445. For further details of incorporation please refer to section titled "Our History and Certain Other Corporate Matters" beginning on page no.224 of this Draft Red Herring Prospectus.

Registered Office: SCO 166-167, Level 1, Sector 9C, Madhya Marg, Sector 9, Chandigarh, India, 160009

CIN: U21001CH2024PLC045445; **Website:** www.amster.in; **E-Mail:** cs@amsterlabs.in

Company Secretary and Compliance Officer: Ms. Shweta, Company Secretary and Compliance officer; **Telephone No.:** 0172-4183370

PROMOTERS: MR. UTTAMJIT SINGH SABHARWAL, MS. BHARMINDER KAUR SABHARWAL, MR. RAJINDER RAHEJA, MR. SATYAN ANAND, MR. AMIT GUPTA & MR. RISHABH RAHEJA

DETAILS OF THE ISSUE

INITIAL PUBLIC ISSUE OF UPTO 53,08,800 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF AMSTER LABS LIMITED ("AMSTER", "ALL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE"), OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] %, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM ADVERTISED IN ALL EDITIONS OF ENGLISH DAILY NEWSPAPER, HINDI NEWSPAPER AND REGIONAL LANGUAGE NEWSPAPER WITH WIDE CIRCULATION [●] AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSE OF UPLOADING ON ITS WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

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

This Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), read with Regulation 229 of the SEBI ICDR Regulations. This Offer is being made through the Book Building Process in terms of Regulation 253 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"). Our Company and the Selling Shareholder, may in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("Anchor Investor Allocation Price"), in accordance with 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 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. 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 QIBs. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹ 2.00 lakhs and upto ₹ 10.00 lakhs; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹ 10.00 lakhs, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of non-institutional investors* and not less than 35% of Offer shall be available for allocation to Retail Individual Bidders ("RIBs") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders, (except Anchor Investors), are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Accounts (as defined hereinafter) including UPI ID in case of RIBs in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Banks 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, please see the chapter titled "Issue Procedure" beginning on page no. 354 of this Draft Red Herring Prospectus.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page no. 354 of this Draft Red Herring Prospectus. A copy of Draft Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 26 of the Companies Act, 2013.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on Page No. 354 of this Draft Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10/- The Issue Price as stated under the chapter titled "Basis for the Issue Price" beginning on page no. 124 of this Draft Red Herring Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page no. 31 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares Issued through Red Herring Prospectus are proposed to be listed on EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principle Approval letter dated [●] from National Stock Exchange of India Limited ("NSE") for using its name in Issue document for listing our shares on the EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"). For this Issue, the designated Stock Exchange is the National Stock Exchange of India Limited ("NSE").

| LEAD MANAGER | REGISTRAR TO THE ISSUE |
|--|--|
|  <p>Fastrack Finsec Category-I Merchant Banker</p> <p>FAST TRACK FINSEC PRIVATE LIMITED SEBI Registration No. INM000012500 Office No. V-116, 1st Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001 Tel No.: +91-11-43029809 Contact Person: Ms. Sakshi / Ms. Shefali Email: mb@ffinsec.com; investor@ffinsec.com Website: www.ffinsec.com</p> |  <p>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED SEBI Registration No.: INR000003241 D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020 Tel No: +91-11-40450193-97; Fax No: +91-11-26812683 Contact Person: Mr. Anuj Rana Email: ipo@skylinerta.com Website: www.skylinerta.com</p> |

OFFER PROGRAMME

| ANCHOR PORTION ISSUE OPENS/CLOSES ON : [●] | ISSUE OPENS ON: [●] | ISSUE CLOSES ON: [●] |
|--|---------------------|----------------------|
| | | |

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

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

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

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DEFINITIONS AND ABBREVIATIONS

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

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1956 (“SCRA”), the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in of the sections “Statement of Possible Tax Benefits”, “Financial Information of the Company” and “Main Provisions of the Articles of Association” on page no. 134, 258 and 396 respectively, shall have the meaning ascribed to such terms in such sections.

General Terms

| Term | Description |
|--|---|
| “Amster” or “ALL”, or “our Company” or “the Issuer” or “the Company” and “Amster Labs Limited” | Amster Labs Limited, a company incorporated under the Companies Act 2013, having its registered office at SCO 166-167, Level 1, Sector 9c, Madhya Marg, Sector 9, Chandigarh-160009, India. |
| “We”, “us” and “our” | Unless the context otherwise indicates or implies refers to our Company. |
| “you”, “your” or “yours” | Prospective investors in this Issue. |

Company Related Terms

| Terms | Description |
|---|---|
| Articles / Articles of Association/ AOA | Articles of Association of Amster Labs Limited, as amended from time to time. |
| Associate Companies | A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company. |
| Audit Committee | The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page no. 229 of this Draft Red Herring Prospectus. |
| Auditors/ Statutory Auditors | The Statutory Auditors of our Company, being M/s Mittal Goel & Associates, Chartered Accountants having firm registration number (FRN) 017577N. |
| Board of Directors / Board/ Director(s) | The Board of Directors of Amster Labs Limited, including all duly constituted committees thereof. |
| Banker to the Company | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being [.] |

| | |
|---|---|
| Central Registration Centre (CRC) | It's an initiative of Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy incorporation related services in line with global best practices. For more details, please refer http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html |
| CIN | U21001CH2024PLC045445 |
| Companies Act | The Companies Act, 1956 and the Companies Act, 2013 as amended from time to time. |
| Company Secretary and Compliance Officer | The Company Secretary and Compliance Officer of our Company being Ms. Shweta. |
| Chief Financial Officer | The Chief Financial Officer of our Company being Mr. Amit Gupta. |
| Corporate Social Responsibility Committee | The committee of the Board of Directors constituted as the Company's Corporate Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled "Our Management" on page no.229 of this Draft Red Herring Prospectus. |
| Depositor/ Depositories | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time, being National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). |
| Depositories Act | The Depositories Act, 1996, as amended from time to time. |
| DIN | Directors Identification Number |
| Director(s) / our Directors | The Director(s) of our Company, unless otherwise specified. For details of our directors, see "Our Management" on page no. 229 of this Draft Red Herring Prospectus. |
| DP/ Depository Participant | A depository participant as defined under the Depositories Act, 1996. |
| Depositories Act | The Depositories Act, 1996, as amended from time to time. |
| DP ID | Depository's Participant's Identity Number |
| Equity Shares | Equity Shares of our Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof. |
| Equity Shareholders/ Shareholders | Persons holding equity shares of our Company. |
| Executive Director/ ED | Executive Directors of our Company, which includes our Managing Director |
| Group Companies | The group companies of our Company, includes companies (other than promoter and subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards and other companies as considered material by our Board in terms of the Materiality Policy and as set forth in "Our Group Entities" on page no. 252 of this Draft Red Herring Prospectus. |
| HUF | Hindu Undivided Family. |
| Indian GAAP | Generally Accepted Accounting Principles in India. |
| Independent Director | A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Govind Shanker Pandey, Rahul Malhotra and Shitij Sharma are the Independent Directors of our Company. |
| Indian GAAP | Generally Accepted Accounting Principles in India |

| | |
|---|---|
| ISIN | INE0T4E01011 |
| Key Managerial Personnel / Key Managerial Employees | The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the chapter titled “Our Management” on page no. 229 of this Draft Red Herring Prospectus. |
| LLP | LLP incorporated under the Limited Liability Partnership Act, 2008. |
| MOA / Memorandum / Memorandum of Association | Memorandum of Association of Amster Labs Limited. |
| Materiality Policy | The policy on identification of group companies, material creditors and material litigation, adopted by our Board on 05.07.2024 in accordance with the requirements of the SEBI ICDR Regulations. |
| Managing Director / MD | The Managing Director of our Company, namely Mr. Uttamjit Singh Sabharwal |
| Non-Residents | A person resident outside India, as defined under FEMA. |
| Non-Executive Director | A Director not being an Executive Director or an Independent Director. Ms. Bharminder Kaur Sabharwal is the non- executive director of the company. |
| Nomination and Remuneration Committee | The committee of the Board of Directors constituted as the Company’s Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page no. 229 of this Draft Red Herring Prospectus. |
| NRI’s / Non-Resident Indians | A person outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. |
| Peer Review Auditor | The Peer Reviewed Auditors who has audited the restated financial statements of our company, is Mittal Goel & Associates, Chartered Accountants, holding a valid peer review certificate, as mentioned in the section titled “General Information” beginning on page 85 of this Draft Red Herring Prospectus. |
| Person or Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, Limited Liability Company, joint venture, or trust or any other entity or organization validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Promoters or Our Promoters | Promoters of our Company being, Mr. Uttamjit Singh Sabharwal, Mr. Rajinder Raheja, Mr. Satyan Anand, Mr. Amit Gupta, Ms. Bharminder Kaur Sabharwal and Mr. Rishabh Raheja |
| Promoters Group | The companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, which is provided in the chapter titled “Our Promoters Group”. For further details refer page no. 249 of this Draft Red Herring Prospectus. |
| Registered Office | The Registered Office of our Company is located at SCO 166-167, Level 1, Sector 9C, Madhya Marg, Sector 9, Chandigarh-160009, India. |
| Restated Financial Statements | The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the period ended March 31, 2024, and December 31, 2023 and for the financial year ended March 31, 2023 and March 31, 2022, along with the summary statement of significant |

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| | accounting policies read together with the annexures and notes thereto. Our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto. |
| ROC/ Registrar of Companies | Registrar of Companies, Chandigarh having office at 1st Floor, Corporate Bhawan, Plot No.4-B, Sector 27-B, PIN-160019, Chandigarh. |
| Statutory Auditor | The Statutory Auditors of our Company, being Mittal Goel & Associates, Chartered Accountants, holding a valid peer review certificate, as mentioned in the section titled “General Information” beginning on page 85 of this Draft Red Herring Prospectus. |
| SEBI | Securities and Exchange Board of India, constituted under the SEBI Act, 1992. |
| SEBI Act | Securities and Exchange Board of India Act 1992, as amended from time to time. |
| SEBI (ICDR) Regulations | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time. |
| SEBI (LODR) Regulations | SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. |
| SEBI (Takeover) Regulations or SEBI (SAST) Regulations | SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time. |
| Senior Management | Senior management of our Company determined in accordance with Regulation 2(1)(bbbbb) of the SEBI ICDR Regulations. For details, see “Our Management” on page 229 of this Draft Red Herring Prospectus. |
| Shareholders | Shareholders of our Company, from time to time. |
| Stakeholders’ Relationship Committee | The committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 229 of this Draft Red Herring Prospectus. |
| Stock Exchange | Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited. |
| Subsidiary | Means a company defined under section 2(87) the Companies Act, 2013. Our Company does not have any subsidiary. |
| Whole Time Director | Mr. Amit Gupta, Mr. Rajinder Raheja and Mr. Satyan Anand are the Whole-Time Directors of the company. |

Offer Related Terms

| Terms | Description |
|----------------------------|---|
| Abridged Prospectus | Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form |
| Acknowledgement Slip | The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form |
| Allotment/ Allot/ Allotted | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants. |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange |

| Terms | Description |
|--|---|
| Allottee | The successful applicant to whom the Equity Shares are being / have been 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 the Red Herring Prospectus. |
| Anchor Investor Allocation Price | The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company, in consultation with the Book Running Lead Managers. |
| Anchor Investor Application Form | The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion in accordance with the requirements specified under the SEBI ICDR Regulations and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus. |
| “Anchor Investor Bid/Offer Period” | One Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Managers will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed. |
| Anchor Investor Offer Price | The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the Book Running Lead Managers, in terms of the Red Herring Prospectus and the Prospectus |
| Anchor Investor Portion | Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. |
| Applicant | Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus. |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus. |
| Application Form | The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue. |
| ASBA/ Application Supported by Blocked Amount. | Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB. |
| ASBA Account | Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid / Application Amount in relation to a Bid / Application by an ASBA Applicant. |
| ASBA Application Location(s)/ Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Hyderabad, Pune, Baroda and Surat. |
| ASBA Investor/ASBA applicant | Any prospective investor(s)/applicants(s) in this Issue who apply(ies) through the ASBA process. |

| Terms | Description |
|---|--|
| Banker(s) to the Issue/ Public Issue Bank(s). | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being [•] |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “Issue Procedure” beginning on page no. 354 of this Draft Red Herring Prospectus. |
| BID | An indication to make an Issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Draft Red Herring Prospectus and the relevant 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 RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid. |
| Bid Cum Application form | The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus. |
| Bid lot | [•] Equity Shares and in multiples of [•] Equity Shares thereafter. |
| Bid/Issue Period | The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Draft Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders. Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. |
| Bid/Issue Closing date | The date after which the Designated Intermediaries will not accept any Bids, being [•], which shall be published in all editions of [•] (a widely circulated English national daily newspaper) and all editions of [•], (a widely circulated Hindi national daily newspaper), and [•] Edition of [•] regional daily newspaper ([•] being the regional language of [•], where our registered office is located). Our Company in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the |

| Terms | Description |
|-------------------------------------|---|
| | terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations. |
| Bis/Issue opening date | The date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper), and [●] Edition of [●] regional daily newspaper ([●] being the regional language of [●], where our registered office is located). |
| Bid or applicant | Any prospective investor who makes a bid for Equity Shares in terms of Draft Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor. |
| Bidding Centers | Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs. |
| Book Building process | Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made. |
| Book running Lead Manager/BRLM | Book Running Lead Manager to the Issue, in this case being Fast Track Finsec Private Limited, SEBI Registered Category I Merchant Banker. |
| Broker Centers | Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange. |
| Business Day | Monday to Friday (except public holidays) |
| CAN/Confirmation of allocation Note | The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange. |
| CAN/Confirmation of allocation Note | The note or advice or intimation of allocation of the Equity Shares sent to Anchor Investors who have been allocated Equity Shares on / after the Anchor Investor Bidding Date. |
| CAP Price | The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price. |
| Cash escrow Sponsor Bank agreement | Agreement dated [●] amongst our Company, the Registrar to the Issue, the Book Running Lead Manager, the Escrow Collection Bank(s), Public Issue Bank(s), Sponsor Bank and Refund Bank(s) in accordance with UPI Circulars, for inter alia, the appointment of the Sponsor Bank in accordance, for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof. |

| Terms | Description |
|--|--|
| Client ID | Client Identification Number maintained with one of the Depositories in relation to demat account. |
| Collecting Depository participate or CDPs | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI. |
| Controlling Branch | Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at http://www.sebi.gov.in ; or at such other website as may be prescribed by SEBI from time to time. |
| Cut off Price | Issue Price, finalised by our Company in consultation with the Book Running Lead Managers, which shall be any price within the Price Band. Only RIBs Bidding in the Retail Portion 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 | The demographic details of the Applicants such as their address, PAN, occupation and bank account details. |
| Depository Participant | A Depository Participant as defined under the Depositories Act, 1996. |
| Designated Branches | Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time. |
| Designated Date | The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants. |
| Designated Intermediaries/ Collecting Agents | <p>Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Issue.</p> <p>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.</p> <p>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 Bidder, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs.</p> <p>In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI mechanism), Designated Intermediaries shall mean Syndicate, subSyndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs.</p> |
| Designated Stock Exchange | Emerge Platform of National Stock Exchange of India Limited (NSE EMERGE) |

| Terms | Description |
|------------------------------------|--|
| DP ID | Depository Participant's Identity Number |
| Draft Red Herring Prospectus | Draft Red Herring Prospectus filed with NSE Emerge for obtaining In-Principal approval. |
| Electronic Transfer of Funds | Refunds through ECS, NEFT, Direct Credit or RTGS as applicable. |
| Eligible FPIs | FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Issue and in relation to whom the Bid cum Application Form and the Draft Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby. |
| Eligible NRIs | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein. |
| Eligible QFIs | QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants. |
| Emerge Platform of NSE Limited | The Emerge Platform of National Stock Exchange of India Limited for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange. |
| Escrow Account | Accounts to be opened with the Banker to the Issue |
| First/ Sole Applicant | The applicant whose name appears first in the Application Form or Revision Form. |
| Floor Price | The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price will be finalised and below which no Bids will be accepted. |
| Foreign Venture Capital Investors | Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000. |
| FPI/Foreign Portfolio Investors | A Foreign Portfolio Investor who has been registered pursuant to the of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended. |
| Fraudulent Borrower | Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations. |
| Fresh Issues | The Fresh Issue of 53,08,800 Equity Shares of ₹ [●] /- each aggregating up to ₹ [●] Lakhs. |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018. |
| General Information Document / GID | The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and certain other amendments to applicable laws and |

| Terms | Description |
|--|---|
| | updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020, circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 notified by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. |
| GIR Number | General Index Registry Number |
| Gross Proceeds | Gross proceeds of the Fresh Issue that will be available to our Company. |
| Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/Initial Public Offering/ IPO | Initial Public Issue of 53,08,800 Equity Shares of face value of Rs.10/- each fully paid up of our Company for cash at a price of Rs. [•] per Equity Share (including a premium of Rs. [•] per Equity Share) aggregating Rs. [•]. |
| Issue Document | Includes Red Herring Prospectus and Prospectus filed with Registrar of Companies. |
| Issue Agreement/ Memorandum of Understanding (MOU) | The Issue agreement dated [•] between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue. |
| Issue Closing Date | The date on which Issue closes for subscription i.e. [•] |
| Issue Opening Date | The date on which Issue opens for subscription i.e. [•] |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective investors may submit their application. |
| Issue Price | The price at which the equity shares are being issued by our Company under this Draft Red Herring Prospectus being Rs. [•]/- per Equity Share of face value of Rs.10/- each fully paid. |
| Issue Proceeds | Proceeds from the Issue will be, being Rs. [•]. |
| LM / Lead Manager | Lead Manager to the Issue, in this case being Fast Track Finsec Private Limited. |
| Listing Agreement | The equity listing agreement to be signed between our Company and the National Stock Exchange of India Limited. |
| Market Maker | Market Makers appointed by our Company from time to time being [•] having SEBI registration number [•] who have agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time. |
| Market Making Agreement | The Agreement entered into between the Lead Manager, Market Maker and our Company dated [•]. |
| Market Maker Reservation | The Reserved Portion of [•] equity shares of face value of Rs.10/- each fully paid for cash at a price of Rs. [•] per equity share aggregating Rs. [•] for the Market Maker in this Issue. |

| Terms | Description |
|--|---|
| Memorandum of understanding | The Memorandum of Understanding dated [•] entered amongst our Company and the Book Running Lead Managers and includes any supplementary agreement thereto, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Issue. |
| Mutual Fund(s) | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time. |
| Net Issue/ Offer | The Issue (excluding the Market Maker Reservation Portion) of [•] Equity Shares of Rs.10/- each of Issuer at Rs. [•] (including share premium of Rs. [•] per equity share aggregating to Rs. [•]) |
| Net Proceeds | The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page no. 112 of this Draft Red Herring Prospectus. |
| Net QIB Portion | QIB Portion, less the number of Equity Shares Allotted to the Anchor Investors. |
| Non-Institutional Applicants | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000. |
| Non-Institutional Portion | The portion of the Issue being not less than 15% of the Issue, consisting of [•] Equity Shares, which shall be available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Issue Price. |
| Non-Institution Investor/NII's or Non-Institution Bidders or NIB | All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs). |
| NPCI | NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA). |
| 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 trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue. |
| Payment through electronic transfer of funds | Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable. |
| Public Issue Account | Account opened with the Banker to the Issue/Public Issue Bank i.e. [•] by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date. |
| Public Issue Account Agreement | Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts. |
| Prospectus | The Prospectus, which is to be filed with the ROC containing, inter alia, the Issue opening and closing dates and other information. |

| Terms | Description |
|--|---|
| Price Band | Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price. The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the BRLMs, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper), and [●] Edition of [●] regional daily newspaper (Hindi being the regional language of [●], where our registered office is located), at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective website. |
| Qualified Institutional Buyers / QIBs | As defined under the SEBI (ICDR) Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 Lakh, pension fund with minimum corpus of Rs. 2,500 Lakh, NIF and 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. |
| Red Herring Prosepectus/RHP | The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto |
| Refund Account | Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur. |
| Refund Bank/Refund Bankers | The bank(s) which is/are clearing members and registered with SEBI as Banker(s) to the Issue, at which the Refund Account for the Issue will be opened in case listing of the Equity Shares does not occur, in this case being [●]. |
| Refunds through electronic transfer of funds | Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable. |
| Registrar/ Registrar to the Offer | Registrar to the Offer being Skyline Financials Services Private Limited. For more information, please refer “General Information” on page 85 of this Draft Red Herring Prospectus. |
| Registrar Agreement | The agreement dated [●], entered into amongst our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue. |
| Registered Broker | Stockbrokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, with the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to |

| Terms | Description |
|-----------------------------------|--|
| | procure Bids in terms of Circular No. CIR/ CFD/ 14/ 2012 dated October 4, 2012 issued by SEBI. |
| Regulations | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time. |
| Reserve Portion | The portion of the Issue reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018. |
| Reserved Category/ Categories | Categories of persons eligible for making bid under reservation portion. |
| Retail Individual Investors | Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000. |
| Resident Indian | A person resident in India, as defined under FEMA. |
| Revision form | The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s). |
| SCSB/s | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html or at such other website as may be prescribed by SEBI from time to time. |
| Specified Location | The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time. |
| Sponsor Bank | Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI. In this case being [•] |
| Transaction Registration Slip/TRS | The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid. |
| Underwriter | Underwriter to this Issue is [•] |
| Underwriting Agreement | The agreement dated [•] entered into between [•] and our Company. |
| WACA | Weighted Average Cost of Acquisition |
| Willful defaulter | Willful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations. |
| Working Days | In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in this |

| Terms | Description |
|-------|--|
| | <p>Draft Red Herring Prospectus are open for business.</p> <ol style="list-style-type: none"> 1. However, in respect of announcement of price band and bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Draft Red Herring Prospectus are open for business. 2. In respect to the time period between the bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI. |

Technical, Industry related Terms or Abbreviations

| Term | Description |
|----------|--|
| AB-PMJAY | Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana |
| ADC | Antibody Drug Conjugate |
| ANDA | Abbreviated New Drug Application |
| API | Active Pharmaceutical Ingredient |
| AMI | Acute Myocardial Infarction |
| AT&M | Alimentary Tract and Metabolism |
| BER | Business Environment Rankings |
| BLA | Biologics License Application |
| CMO | Contract Manufacturing Organization |
| CDSCO | Central Drug Standard Control Organization |
| CHE | Current Healthcare Expenditure |
| CNS | Central Nervous System |
| CVS | Cardiovascular |
| FDA | Food and Drug Administration |
| GDUFA | Generic Drug User Fee Amendments |
| GI | Gastro-intestinal |
| GMP | Good Manufacturing Process |
| GU | Genitourinary |
| HPAPI | Highly Potent Active Pharmaceutical Ingredient |
| KSM | Key Starting Materials |
| LIMS | Laboratory Information Management System |
| NDA | New Drug Application |
| NDDS | New Drug Delivery Systems |
| PQS | Pharmaceutical Quality System |
| RNA | Ribonucleic Acid |

Conventional Terms / General Terms / Abbreviations

| Abbreviation | Full Form |
|--------------|---|
| A/c | Account |
| AC | Alternating current |
| ACS | Associate Company Secretary |
| AGM | Annual General Meeting |
| Amt. | Amount |
| AS | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| ASBA | Applications Supported by Blocked Amount |

| Abbreviation | Full Form |
|--------------------------------|---|
| AY | Assessment Year |
| BSE | BSE Limited |
| BIS | Bureau of Indian Standards |
| CAGR | Compounded Annual Growth Rate |
| Carpet Area | The area of the apartment excluding the thickness of inner walls. |
| CDSL | Central Depository Services (India) Limited |
| CEEW | Council on Energy, Environment and Water |
| CERC | Central Electricity Regulatory Commission |
| CFO | Chief Financial Officer |
| CIN | Corporate Identification Number |
| CIT | Commissioner of Income Tax |
| Cr. | Crore |
| DC | Direct Current |
| DIN | Director Identification Number |
| DP | Depository Participant |
| ECS | Electronic Clearing System |
| EGM | Extra-ordinary General Meeting |
| EPS | Earnings Per Share |
| EPC | Engineering, Procurement and Construction |
| FEMA | Foreign Exchange Management Act, 1999, as amended from time to time, and theregulations framed there under |
| FDI | Foreign Direct Investment |
| FIIIs | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India |
| FIPB | Foreign Investment Promotion Board |
| F&NG | Father and Natural Guardian |
| FY Fiscal/Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwisestated |
| GDP | Gross Domestic Product |
| GoI/Government | Government of India |
| GSM | Grams Per Square Meters |
| GW | Gigawatts, further 1 GW is equivalent to 1,000 MW |
| HUF | Hindu Undivided Family |
| IT | Information Technology |
| I.T. Act | Income Tax Act, 1961, as amended from time to time |
| ICSI | Institute of Company Secretaries of India |
| KPI | Key Performance Indicator |
| KW | Kilowatt |
| KVA | kilovolt-ampere |
| MAPIN | Market Participants and Investors' Integrated Database |
| Merchant Banker | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 |
| Mn | Million |
| MPPT | Maximum Power Point Tracking |

| Abbreviation | Full Form |
|------------------|---|
| MoF | Ministry of Finance, Government of India |
| MOU | Memorandum of Understanding |
| NA | Not Applicable |
| NAV | Net Asset Value |
| NGT | National Green Tribunal |
| No. | Number |
| NPV | Net Present Value |
| NRE Account | Non-Resident External Account |
| NRIs | Non-Resident Indians |
| NRO Account | Non-Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| NSM | National Solar Mission |
| OCB | Overseas Corporate Bodies |
| OSP | Other Service Provider |
| p.a. | per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAC | Persons Acting in Concert |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| Plots | Parcel of land demarcated through boundary |
| PWM | Pulse-width modulation |
| PV Module | Photovoltaic modules |
| QIC | Quarterly Income Certificate |
| RBI | The Reserve Bank of India |
| ROE | Return on Equity |
| RONW | Return on Net Worth |
| Bn | Billion |
| Rs. | Rupees, the official currency of the Republic of India |
| RTGS | Real Time Gross Settlement |
| RERA | Real Estate Regulatory Authority |
| SCRA | Securities Contract (Regulation) Act, 1956, as amended from time to time |
| SCR | Securities Contracts (Regulation) Rules, 1957, as amended from time to time. |
| Sec. | Section |
| Sq Mtr. | Square Meters |
| STT | Securities Transaction Tax |
| Super Area | The built-up area added to share of common areas which includes staircases, reception, lift shafts, lobbies, club houses and so on |
| US/United States | United States of America |
| USD/ US\$/ \$ | United States Dollar, the official currency of the Unites States of America |
| UPI | Unified payments interface which is an instant payment mechanism, developed by NPCI |
| UPI Bidders | Collectively, individual Bidders applying as Retail Individual Bidders in the Retail Portion, and individual Bidders applying as Non-Institutional Bidders with a Bid Amount of up to ₹ 500,000 in the Non-Institutional Portion by using the UPI |

| Abbreviation | Full Form |
|---------------------------|--|
| | Mechanism. |
| UPI Circulars | SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, 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 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI 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, read along with SEBI RTA Master Circular, SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular with circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular with circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, 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 and any subsequent circulars or notifications issued by SEBI in this regard |
| UPI ID | ID created on Unified Payment Interface (UPI) for single-window mobile paymentsystem developed by the National Payments Corporation of India (NPCI). |
| UPI Mandate Request | The request initiated by the Sponsor Bank and received by an RII using the UPI Mechanism to authorize blocking of funds on the UPI mobile or other application equivalent to the Bid Amount and subsequent debit of funds in case of Allotment |
| UPI Mechanism | The bidding mechanism that may be used by a RII to make an application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018. |
| UPI PIN | Password to authenticate UPI transaction |
| UPS | Uninterruptible Power Supply |
| VCF / Venture CapitalFund | Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India. |

Notwithstanding the foregoing:

1. In the section titled “Main Provisions of the Articles of Association” beginning on page no. 396 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
2. In the chapters titled “Summary of Offer Documents” and “Our Business” beginning on page no. 22 and 165 respectively, of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
3. In the section titled “Risk Factors” beginning on page no. 31 of the Draft Red Herring Prospectus, defined

- terms shall have the meaning given to such terms in that section;*
4. *In the chapter titled “Statement of Tax Benefits” beginning on page no. 134 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
 5. *In the chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page no. 310 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section.*

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CERTAIN CONVENTION, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION

CERTAIN CONVENTION

In this Draft Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company” “ALL”, unless the context otherwise indicates or implies, refers to “Amster Labs Limited”.

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

Our Company has presented numerical information in “lakhs” units, excluding no. of shares and unless expressed specified. One lakh represents 1,00,000.

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

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements”, as Restated beginning on page 258 this Draft Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points. There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, to what extent, the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements, as Restated” beginning on page 258 of this Draft Red Herring Prospectus.

CURRENCY AND UNITS OF PRESENTATION

In this Draft Red Herring Prospectus, references to Rupees or INR or Rs. are to Indian Rupees, the official currency of the Republic of India. All references to \$, US\$, USD, U.S \$ or U.S. Dollars are to United States Dollars, the official currency of the United States of America. All references to million / Million / MN refer to one million, which is equivalent to ten lacs or ten lakhs, the word Lacs / Lakhs / Lac means one hundred thousand and Crore means ten million and billion / BN/ Billions means one hundred crores.

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry data used throughout the Draft Red Herring Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Draft Red Herring Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in the Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

EXCHANGE RATE

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

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FORWARD LOOKING STATEMENTS

All statements contained in the Draft Red Herring Prospectus that are not statements of historical facts constitute forward-looking statements". All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Draft Red Herring Prospectus regarding matters that are not historical Facts. These forward-looking statements and any other projections contained in the Draft Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward-looking statements can generally be identified by words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- Our ability to successfully implement our growth strategy and expansion plans;
- Our Company's inability to meet its working capital requirements or maintain its existing credit facilities
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Our inability to maintain quality standards;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Changes in the competition landscape;
- Our ability to respond to new innovations in our industry;
- Any adverse outcome in the legal proceedings in which we and our promoters are involved;
- Conflict of Interest with affiliated companies, the promoter group and other related parties;
- General social and political conditions in India which have an impact on our business activities or investments;
- Adverse natural calamities having significant impact on our business;
- Developments affecting the Indian economy;
- Loss of consumers;
- Other Factors beyond our control

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 31, 165 and 310, respectively of this Draft Red Herring Prospectus.

Forward-looking statements reflects views as of the date of the Draft Red Herring Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the Lead Manager, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

SECTION II - SUMMARY OF OFFER DOCUMENTS

This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled ‘Risk Factors’, ‘The Issue’, ‘Capital Structure’, ‘Objects of the Issue’, ‘Industry Overview’, ‘Our Business’, ‘Restated Financial Information’, ‘Outstanding Litigation and Material Developments’, ‘Issue Procedure’ and ‘Main Provisions of the Articles of Association’ beginning on at pages **31, 76, 95, 112, 137, 165, 258, 323, 354** and **396** respectively, of this Draft Red Herring Prospectus.

SUMMARY OF THE INDUSTRY IN WHICH OUR COMPANY OPERATES

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

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

For detailed information please refer chapter titled “Our Industry” on Page No. 137 of the Draft Red Herring Prospectus.

SUMMARY OF OUR BUSINESS OVERVIEW

Amster Labs Limited is a Public Limited Company. Originally, it was established as partnership firm on September 17, 2014 and subsequently converted into Public Limited Company “Amster Labs Limited” on January 01, 2024, pursuant to Part I of Chapter XXI of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U21001CH2024PLC045445. The Company is having its registered office at SCO 166-167, Level 1, Sector 9C, Madhya Marg, Sector 9, Chandigarh-160009.

The Company is engaged in the business of manufacturing and distribution of pharmaceutical products and contract manufacturing of more than 400 companies.

We are an ISO 9001:2015 certified Indian pharmaceuticals company engaged in pharmaceutical formulations contract manufacturing organization (“CMO”) and is in compliance with regulations of the Indian Pharmaceutical Association and International Standards.

We operate two manufacturing facilities in Baddi, Himachal Pradesh.

| Manufacturing Unit | Location | Tenure | Rent | Landlord |
|--|---|--------------------------|-------------------|-----------------|
| UNIT -I (For Soft Gel Products) | Khasra no. 338/266, VIII-Village Saraj Majra Gujjaran Near Toll Plaza, Baddi, | 01/03/2022 to 29/02/2026 | 25000/- Per Month | Mustak Mohammad |

| | | | | | |
|--|--|--------------------------|------------------|-----|--------------|
| | district-Solan H.P. | | | | |
| | K K 50/52, MIN KH No. 503/412/254,509/255, VIII SarajMajra, Gujran, Near Toll Plaza Baddi, distt Solan H.P. | 01/10/2021 to 30/09/2027 | 38000/- Month | Per | Smt. Santosh |
| | 01 bigha 04 biswas comprised in khewat khatoni no. 51/53, bearing khasra no. 504/412/254, 505/412/254, 510/255, 511/255, kitat 4, land measuring 00-16 biswas and khewat khatoni no. 52/54 khasra nos. 506/412/254 I, 512/255 kitat 2 land measuring 00-08 biswas situated in revenue village-saraj majra gujjaran, hadbast no. 208, tehsil-baddi. | 01/01/2024 to 31/12/2029 | 2,60,918/- Month | Per | Sunita Devi |

Unit II, For Pharma Formulation Products: The unit is located at Hilltop Industrial Estate, village Bhatauli Kalan, Tehsil Baddi. The unit is in conformity to World Health Organisation (WHO).

Both our facilities have good manufacturing practices (GMP) certification from the Health and Family Welfare Department, Himachal Pradesh.

Our facilities are designed, equipped and operated to deliver quality products within defined cost and delivery schedules.

For detailed information please refer chapter titled “Our Business” on [•] of the Draft Red Herring Prospectus.

PROMOTERS

The promoters of our Company are Mr. Uttamjit Singh Sabharwal, Mr. Rajinder Raheja, Mr. Satyan Anand, Mr. Amit Gupta, Ms. Bharminder Kaur Sabharwal, and Mr. Rishabh Raheja.

For detailed information please refer chapter titled “Our Promoters” and “Our Promoter Group” on Page number 245 and 249 respectively of this Draft Red Herring Prospectus.

OFFER SIZE

The following table summarizes the details of the Offer size:

| | |
|-------------------------------|--|
| Offer of equity shares | 53,08,800 equity shares of face value Rs. 10/- each at a price of Rs. [•] each aggregating to Rs. [•] Lakhs. |
|-------------------------------|--|

| | |
|--|--|
| of which | |
| Fresh Issue | 53,08,800 Equity Shares of face value Rs. 10/- each at a price of Rs. [•] each aggregating to Rs. [•] Lakhs. |
| Offer for Sale | Not Applicable |
| Market Maker | [•] Equity Shares of face value Rs. 10/- each at a price of Rs. [•] each aggregating to Rs. [•] Lakhs. |
| Net Issue (Fresh Issue – Market Maker) | [•] Equity Shares of face value Rs.10/- each at a price of Rs. [•] each aggregating to Rs. [•] Lakhs. |
| Out of net issue to public | |
| A. QIB Portion | Not more than [•] Equity Shares aggregating up to ₹ [•] lakhs. |
| <i>Of which</i> | |
| i) Anchor Investor Portion | Upto [•] Equity Shares aggregating up to ₹ [•] lakhs |
| ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed) | Up to [•] Equity Shares aggregating up to ₹ [•] lakhs. |
| <i>Of which</i> | |
| (a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion) | Up to [•] Equity Shares aggregating up to ₹ [•] lakhs |
| (b) Balance of QIB Portion for all QIBs including Mutual Funds | Up to [•] Equity Shares aggregating up to ₹ [•] lakhs |
| B. Non-Institutional Portion | Not less than [•] Equity Shares aggregating up to ₹ [•] lakhs |
| C. Retail Portion | Not less than [•] Equity Shares aggregating up to ₹ [•] lakhs |

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

(in lakhs)

| S. No. | Particulars | Estimated Amount | % of total issue size | Amount to be financed from Issue Proceeds |
|--------|--|------------------|-----------------------|---|
| A | To setting up of new manufacturing unit and unification of existing divisions. | 1500.00 | [•] | 1500.00 |
| B | To meet Working Capital Requirements | 1500.00 | [•] | 1500.00 |
| C | General corporate purposes* | [•] | [•] | [•] |
| D | Issue related expenses | [•] | [•] | [•] |
| | Total IPO Proceeds | [•] | [•] | [•] |

*The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue.

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy. (For further details, please refer chapter “**Objects of the Issue**” beginning from page no. 112 of this Draft Red Herring Prospectus).

AGGREGATE PRE-ISSUE SHAREHOLDING OF THE PROMOTER AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE ISSUER

| S. No. | Name of share holder | Pre-issue | | Post-issue | |
|-----------------------|---------------------------|----------------------|-------------------------|----------------------|--------------------------|
| | | No. of Equity Shares | % of Pre- Offer Capital | No. of Equity Shares | % of Post- Offer Capital |
| PROMOTERS | | | | | |
| 1. | Bharminder Kaur Sabharwal | 540000 | 3.64 | 540000 | 2.68 |
| 2. | Rajinder Raheja | 1080000 | 7.28 | 1080000 | 5.36 |
| 3. | Satyan Anand | 3308040 | 22.29 | 3308040 | 16.42 |
| 4. | Amit Gupta | 1551960 | 10.46 | 1551960 | 7.70 |
| 5. | Uttamjit Singh Sabharwal | 3308040 | 22.29 | 3308040 | 16.42 |
| 6. | Rishabh Raheja | 471960 | 3.18 | 471960 | 2.34 |
| Total | | 1,02,60,000 | 69.15 | 1,02,60,000 | 50.92 |
| PROMOTER GROUP | | | | | |
| 1. | Meena Anand | 540000 | 3.64 | 540000 | 2.68 |
| Total | | 540000 | 3.64 | 540000 | 2.68 |

For further details, see the chapter titled “Capital Structure” beginning on page 95 of this Draft Red Herring Prospectus.

SUMMARY OF FINANCIAL INFORMATION

(Amount in Lakhs)

| Particulars | Three Months ended 31 st March 2024 | Nine Months ended 31 st December 2023 | For the Year ended 31 st March 2023 | For the Year ended 31 st March 2022 |
|---|--|--|--|--|
| Share Capital | 742.51 | 600.00 | 341.60 | 341.60 |
| Net Worth | 1,654.92 | 600.00 | 1,177.50 | 944.47 |
| Total Revenue | 3,550.26 | 8,270.51 | 10,528.55 | 9,697.31 |
| Profit after Tax | 579.92 | 341.30 | 243.04 | 122.76 |
| EPS Basic and Diluted (in Rs.) | 9.42 | 5.69 | 7.11 | 3.59 |
| EPS Basic and Diluted (adjusted, in Rs.)* | 5.23 | 3.16 | 3.95 | 1.99 |
| NAV per Equity Share (in Rs.) | 22.29 | 10.00 | 34.47 | 27.65 |
| NAV per Equity Share (adjusted in Rs.)* | 12.38 | 5.56 | 19.15 | 15.36 |
| Total borrowings | | | | |
| - Long Term | 853.37 | 903.69 | 725.19 | 1,008.96 |
| - Short Term | 3,145.28 | 3,349.39 | 2,163.02 | 1,480.04 |

*These figures are adjusted to reconcile the Impact of bonus issue, pursuant to Accounting Standard 20 “Earnings Per Share” issued by ICAI and for presenting comparable figures.

QUALIFICATIONS OF AUDITORS

The Restated Financial Statements do not contain any qualifications requiring adjustments by the Peer reviewed auditors.

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPEMENTS

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

| Name | By/Against | Civil Proceedings | Criminal Proceedings | Tax Proceedings | Actions by regulatory authorities | Amount Involved (Rs. in lakhs) |
|--------------------------------|------------|-------------------|----------------------|-----------------|-----------------------------------|--------------------------------|
| Company | By | - | - | - | - | - |
| | Against | - | - | - | - | - |
| Promoter | By | - | 1 | - | - | - |
| | Against | - | 1 | - | - | - |
| Group Companies/Entities | By | - | - | - | - | - |
| | Against | - | - | - | - | - |
| Directors other than promoters | By | - | - | - | - | - |
| | Against | - | - | - | - | - |

For further details, please refer chapter titled “Outstanding Litigations & Material Developments” beginning on page 323 of this Draft Red Herring Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” beginning on page 31 of this Draft Red Herring Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

The following is a summary table of our contingent liabilities as of March 31, 2024:

| Particulars | As on March 31, 2024 (Rs. in Lakh) |
|--|------------------------------------|
| Contingent liabilities in respect of: | |
| • Claims against the company not acknowledged as debt | Nil |
| • Guarantees given | Nil |
| • Other money for which the company is contingently liable | Nil |
| • Commitments (to the extent not provided for) | Nil |
| • Uncalled liability on shares and other investments partly paid | Nil |
| • Tax litigations | Nil |
| • Others | Nil |
| Total | Nil |

For details, see “Restated Financial Information – Annexure – VII (Restated Statement of Contingent Liabilities)” on page 296.

SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of Related Party Transaction for Last Three Financial Years is provided below:

| a) Key Management Personnel (KMP) | Name of Person | Date of appointment |
|---|---------------------------|---------------------|
| Managing director | Uttamjit Singh Sabharwal | 01-Jan-24 |
| Whole time Director | Rajinder Kumar Raheja | 01-Jan-24 |
| Whole time Director / Chief Financial Officer | Amit Gupta | 01-Jan-24 |
| Whole time Director | Satyan Anand | 01-Jan-24 |
| Director | Bharminder Kaur Sabharwal | 01-Jan-24 |
| Chief Financial Officer | Amit Gupta | 22-Mar-24 |
| Company Secretary | Shweta | 01-Feb-24 |
| b) Relatives of KMP | | |
| | Uttamjit Singh HUF | |
| | Simrat Sabharwal | |
| | Anil Anand (HUF) | |
| | Gurpreet Sabharwal | |
| | Suresh Chand Gupta | |
| | Meena Anand | |
| | Swarn Gupta | |
| | Raj Kumari Raheja | |
| | Rashika Raheja | |
| | Rishab Raheja | |
| | Kanika Khanna | |
| c) Enterprise over which KMP and their relatives exercise significant influence | | |
| | Sukhmani Print and Pack | |
| | Uniroyal Biotech | |
| | Ekomp Print and Pack | |

TRANSACTIONS WITH RELATED PARTIES:

(in lakhs)

| Name | Nature of Relationship | Nature of Transaction | For the period Jan 01, 2024 to Mar 31, 2024 | For the period Apr 01, 2023 to Dec 31, 2023 | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 |
|--------------------------|------------------------|----------------------------|---|---|-----------------------------------|-----------------------------------|
| Uttamjit Singh Sabharwal | KMP | Salary | 16.40 | 24.66 | 40.25 | 18.90 |
| | | Loan taken | 30.50 | 454.97 | 10.00 | 15.00 |
| | | Interest on unsecured loan | 0.24 | 0.72 | | |
| | | Loan repayment | 30.50 | 25.00 | 25.00 | - |
| Uttamjit Singh HUF | Relative | Interest on unsecured loan | - | - | 0.86 | 0.95 |
| Satyan Anand | KMP | Loan taken | - | 66.00 | - | - |
| | | Salary | 15.00 | - | - | - |
| | | Loan repayment | 60.00 | 5.00 | - | - |
| | | Interest on unsecured loan | 0.49 | 1.49 | 1.79 | 1.79 |
| Meena Anand | Relative | Salary | 1.40 | 21.66 | 40.25 | 44.10 |
| | | Loan repayment | - | - | - | - |
| | | Loan taken | - | 464.94 | | |
| | | Interest on unsecured loan | 2.70 | 8.10 | 9.72 | 9.72 |
| Simrat Sabharwal | Relative | Loan taken | - | - | - | 13.00 |

| | | | | | | |
|---------------------------|--|----------------------------|-------|--------|--------|--------|
| | | Loan repayment | - | - | 5.00 | 8.00 |
| | | Interest on unsecured loan | - | - | - | 0.23 |
| Rajinder Kumar Raheja | KMP | Salary | 7.20 | 9.28 | 17.25 | 44.10 |
| | | Interest on unsecured loan | 0.45 | 1.35 | 2.26 | 2.20 |
| | | Loan taken | 24.20 | 190.87 | - | 18.80 |
| | | Loan Repayment | 24.20 | - | 18.80 | - |
| Amit Gupta | KMP | Salary | 6.60 | 10.57 | 17.25 | 18.90 |
| | | Loan taken | 24.20 | 183.79 | 3.00 | - |
| | | Loan Repayment | 24.20 | - | - | - |
| | | Interest on unsecured loan | 0.09 | 0.27 | 0.12 | - |
| Bharminder Kaur Sabharwal | KMP | Interest on Unsecured loan | 1.50 | 4.50 | 5.52 | 5.60 |
| | | Salary | - | 4.20 | 7.20 | 5.25 |
| | | Loan taken | - | - | 3.00 | 5.00 |
| | | Loan repayment | - | - | 8.00 | 20.00 |
| | | Reimbursement of expenses | - | 1.20 | 1.80 | - |
| Rishabh Raheja | Relative | Interest on Unsecured loan | 1.19 | 3.58 | 4.30 | 4.22 |
| | | Loan taken | - | - | - | 6.00 |
| | | Salary | - | - | 2.10 | - |
| Anil Anand | Relative | Interest on Unsecured loan | 0.75 | - | 2.70 | 2.70 |
| Gurpreet Sabharwal | Relative | Reimbursement of expenses | - | 1.35 | 1.80 | 1.80 |
| | | Salary | 2.40 | 5.40 | 7.20 | 7.20 |
| Suresh Chand Gupta | Relative | Interest on Unsecured loan | 0.46 | 1.10 | 1.12 | 1.12 |
| | | Loan taken | - | 5.00 | - | - |
| Swarn Gupta | Relative | Interest on Unsecured loan | 0.55 | 1.66 | 1.98 | 1.98 |
| Raj Kumari Raheja | Relative | Interest on Unsecured loan | 0.30 | 0.90 | 1.08 | 1.08 |
| Rashika Raheja | Relative | Interest on Unsecured loan | 0.51 | 1.53 | 1.83 | 1.83 |
| | | Salary | 3.60 | 4.20 | 4.75 | - |
| Kanika Khanna | Relative | Interest on Unsecured loan | 0.16 | 0.81 | 1.08 | 1.08 |
| | | Loan repayment | 8.00 | 2.00 | - | - |
| | | Loan taken | - | - | - | - |
| CS Shweta | KMP | Salary | 0.40 | - | - | - |
| Sukhamni | Enterprise over which KMP and their relatives exercise significant influence | Sale | - | - | - | - |
| | | Purchase | - | 472.80 | 692.33 | 777.94 |
| Uniroyal | Enterprise over which | Sale | - | 244.36 | 527.91 | 514.48 |
| | | Purchase | - | 357.07 | 184.53 | 4.05 |

| | | | | | | |
|----------------------|--|----------|--------|--------|--------|---|
| | KMP and their relatives exercise significant influence | | | | | |
| Ekomp Print and Pack | Enterprise over which KMP and their relatives exercise significant influence | Purchase | 182.13 | 431.81 | 276.89 | - |
| | | Sales | 11.47 | - | - | - |

For details of Related Party Transaction, please refer “Annexure – VIII (RELATED PARTY TRANSACTIONS)” on page 297 of this Draft Red Herring Prospectus.

FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

WEIGHTED AVERAGE COST OF ACQUISITION OF EQUITY SHARES BY OUR PROMOTER IN LAST ONE YEAR

The weighted average cost of acquisition of equity shares by our promoters in last one year which has been calculated by taking average amount paid by them to acquire our equity shares is as follows:

| Name of shareholders | No. of shares bought or sold | Weighted Average Price (in Rs.)** |
|---------------------------|------------------------------|-----------------------------------|
| Bharminder Kaur Sabharwal | 5,40,000 | 5.56* |
| Rajinder Raheja | 10,80,000 | 5.56* |
| Satyan Anand | 33,08,040 | 5.56* |
| Amit Gupta | 15,51,960 | 5.56* |
| Uttamjit Singh Sabharwal | 33,08,040 | 5.56* |
| Rishabh Raheja | 4,71,960 | 5.56* |

*In the preceding year, shares were acquired through Bonus.

** As Certified by Mittal Goel & Associates., Chartered Accountants dated 05.08.2024.

AVERAGE COST OF ACQUISITION OF THE EQUITY SHARE FOR THE PROMOTER

The average cost of acquisition per Equity Share by our promoters which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in Rs.) * |
|---------------------------|--------------------|--|
| Bharminder Kaur Sabharwal | 5,40,000 | 5.56 |

| | | |
|--------------------------|-----------|------|
| Rajinder Raheja | 10,80,000 | 5.56 |
| Satyan Anand | 33,08,040 | 5.56 |
| Amit Gupta | 15,51,960 | 5.56 |
| Uttamjit Singh Sabharwal | 33,08,040 | 5.56 |
| Rishabh Raheja | 4,71,960 | 5.56 |

** As Certified by Mittal Goel & Associates., Chartered Accountants dated 05.08.2024.*

DETAILS OF PRE-ISSUE PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus until the listing of the Equity Shares. Our Company undertakes:

1. That Pre-IPO proceeds being discretionary in nature, if raised, shall be completely attributed/adjusted towards GCP portion; unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific objects of the issue. A confirmation to this effect we shall submit at the time of filing of Red Herring Prospectus/Prospectus with the Exchange and the confirmation should form part of material documents available for inspection.

2. Disclosure shall be made of the price and the name of the shareholder on the day of the allotment in case if any Pre-IPO placement is done, through public advertisement. A confirmation to this effect we shall submit at the time of filing of Red Herring Prospectus/Prospectus with the Exchange and the confirmation should form part of material documents available for inspection. The details of the Pre-IPO shall also form part of the Price Band Advertisement.

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Our Company has not issued shares for consideration other than cash or out of revaluation of reserves, including Bonus Shares, in last one year except as following:

| Date of Allotment | No. of Equity Shares | Face value (Rs.) | Issue Price (Rs.) | Consideration | Nature of Allotment |
|--------------------------|-----------------------------|-------------------------|--------------------------|----------------------|----------------------------|
| 09.07.2024 | 65,94,464 | 10 | N. A | No Consideration | Bonus Issue |

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not done any sub-division of its equity shares in last one year.

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

Our Company has not filed any exemption application with SEBI as on date of this Draft Red Herring Prospectus.

SECTION III- RISK FACTORS

Any investment in equity securities involves a high degree of risk. Investor should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, “Business Overview”, “The Issue”, “Industry Overview”, “Restated Financial Information”, “Outstanding Litigation and Other Material Developments”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page no. 165, 76, 137, 258, 323, and 310 respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled “Financial Information, as Restated” beginning on page 258 of this Draft Red Herring Prospectus.

Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Red Herring Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial conditions and Red Herring Prospects.

This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements because of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus.

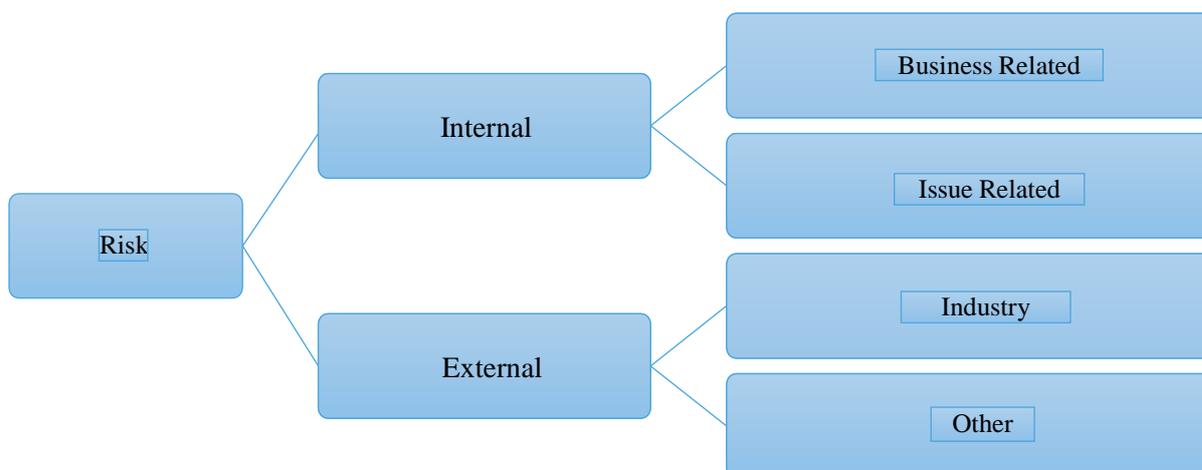
The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Issuing unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the consequences to you of an investment in the Equity Shares.

The financial information in this section is, unless otherwise stated, derived from our Restated Standalone Financial Statements prepared in accordance with Indian GAAP, as per the requirements of the Companies Act, 2013, and SEBI (ICDR) Regulations.

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

1. Some events may not be material individually but may be found material collectively.
2. Some events may have material impact qualitatively instead of quantitatively.
3. Some events may not be material at present but may be having material impact in the future.

Classification of Risk Factors



INTERNAL RISK FACTORS:

- 1. Significant portion of our revenue depends upon the order from some key customers. Loss of any of the key customer may affect our revenues and profitability.**

Significant portion of our revenues depends upon the order from our key customers and the loss of any of our customers which we cater to may adversely affect our sales and consequently on our business and results of operations. Our top ten customers contributed 53.18%, 42.30%, 49.15% and 44.03% of our total revenue from operations as on restated standalone basis for the period ended on March 31, 2024 & December 31, 2023 and financial year ended on March 31, 2023 and 2022, respectively.

The table set forth below states contribution of Top 1/5/10 customers in our total revenue from operations on standalone basis:

| Particulars | For the period ended 31/03/2024 (3 Month) | For the period ended 31/12/2023 (9 Month) | For the period ended 31/03/2023 | For the period ended 31/03/2022 |
|----------------------|---|---|---------------------------------|---------------------------------|
| Top 1 Customers (%) | 23.30 | 7.90 | 13.52 | 10.09 |
| Top 5 Customers (%) | 42.46 | 30.08 | 41.02 | 32.56 |
| Top 10 Customers (%) | 53.18 | 42.30 | 49.15 | 44.03 |

The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. Although we have not experienced any instances of such Loss of Customers in the period ended on March 31, 2024 & December 31, 2023 and financial year ended on March 31, 2023 and 2022.

We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, and

the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change, as we continue to add new customers in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, there can be no assurance that we will be able to maintain long term relationships with such customers or find new customers in time.

Further, our customers may source products from our competitors who may offer products similar to ours at a lower price, leading to reduced prices and hence lowering our margins. Most of our transactions with our business associates are typically on a purchase order basis without any commitment to a fixed volume of business. There can also be no assurance that our customers will renew their arrangements with us on current or similar terms, or at all. Further, our customers could change their business practices or seek to modify the terms that we have customarily followed with them, including their payment terms.

2. Our Company has negative cash flows from its operating activities, investing activities as well as financing activities in the current and past years, details of which are given below. Sustained negative cash flow could impact our growth and business.

Our Company has negative cash flows from our Operating in previous year and Investing activities in the current and previous years as per the Restated Financial Statements and the same are summarized as under.

| | (Amt in Lakhs) | | | |
|-------------------------|---|---|---------------------------------|---------------------------------|
| Net Cash Generated from | For the period ended 31/03/2024 (3 Month) | For the period ended 31/12/2023 (9 Month) | For the period ended 31/03/2023 | For the period ended 31/03/2022 |
| Operating Activities | 407.59 | 19.83 | 146.34 | (210.82) |
| Investing Activities | (389.52) | (300.64) | (260.06) | (309.38) |
| Financing Activities | 145.45 | 232.79 | 153.08 | 545.87 |

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

3. 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, syrups, injections, eye and ear drops, ointments etc. Our business is dependent upon our ability to manage our manufacturing facilities, which are subject to various operating risks, including those beyond our control, such as the breakdown or failure of equipment, industrial accidents, severe weather conditions and natural disasters. Any significant malfunction or breakdown of our machinery, our equipment, our laboratories, our automation systems, our IT systems or any other part of our manufacturing processes or systems (together, our “Manufacturing Assets”) may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair Manufacturing Assets in a timely manner or at all, our operations may need to be suspended until we procure the appropriate Manufacturing Assets to replace them. In addition, we may be required to carry out planned shutdowns of our facilities for maintenance, statutory inspections, customer audits and testing, or may shut down certain facilities for capacity expansion and equipment upgrades.

Our manufacturing processes involve manufacturing, storage and transportation of various substances, and we are required to obtain approvals from the relevant authorities to manufacture and store these products. Despite compliance with requisite safety requirements and standards, we are subject to operating risks associated with handling of such materials, any of these occurrences may result in the shutdown of one or more our manufacturing facilities and expose us to civil and/or criminal liability which could have an adverse effect on our business, financial condition and results of operations. Further, such occurrences may result in the termination of our approvals for storing such substances or penalties thereunder.

Further, our manufacturing and operations are subject to risks from industrial accidents at our facilities. Our operations involve the operation of machinery, equipment and various chemical processes and reactions. These activities can be extremely dangerous and any accident, including any mechanical and operational failures could cause serious injury to people or property and in certain circumstances, even death, and this may adversely affect our production schedules, costs, sales and ability to meet customer demand. Although we have not experienced such accidents or event in the past, we may experience them in the future and our business, financial condition and results of operations may be adversely impacted.

4. We rely on limited suppliers for our raw material, loss of these suppliers may have an adverse effect on our business, results of operations and financial conditions.

We rely on limited suppliers for raw materials with whom we generally do not enter into any long-term supply contact or agreements. The order for the materials is placed on a requirement basis. If, there are any delays or disruptions in the supply of these materials from our suppliers, our ability to deliver the products may be affected. Any of our supplier's failure to adhere to agreed timelines, whether due to their inability to comply with, or obtain, regulatory approvals, or otherwise, may result in delays and disruptions to our sales, increased costs, delayed payments for our products and damage to our reputation leading to an adverse effect on our results of operations. Although, we have not experienced any instances of our supplier's failure in the period ended on March 31, 2024 & December 31, 2023 and financial year ended on March 31, 2023 and 2022.

In the event any of our supplier cease to be available to us at terms acceptable to us or we experience problems with, or interruptions in, such supplies, and we are unable to find other suppliers to provide similar materials on comparable terms and on a timely basis, our operations may be disrupted and our results of operations and financial condition may be adversely affected. Although, we have not experienced any instances of our supplier's failure in the period ended on March 31, 2024 & December 31, 2023 and financial year ended on March 31, 2023 and 2022.

5. We may not be able to sustain historical growth in our revenue from operations and profit for year in future periods, which could have an adverse impact on our financial condition and results of operation.

Our Company is in the growing phase of business cycle. Our inability to regularly grow our turnover and effectively execute our key business processes could lead to lower profitability and hence adversely affect our operating results, debt service capabilities and financial conditions. Due to the nature of the products, we sell, we may not be able to charge higher margins on our products. Hence, our business model is heavily reliant on our ability to effectively grow our turnover and manage our key processes including but not limited to raw material procurement, timely sales / order execution and continuous cost control of non-core activities.

As part of our growth strategy, we have already initiated steps for brand development and strategies to increase our revenue of operations, and cater to wider markets. Our growth strategy is subject to and involves risks and difficulties, many of which are beyond our control and, accordingly, there can be no assurance that we will be able to implement our strategy or growth plans, or complete them within the timelines. Further, we operate in a dynamic industry, and on account of changes in market conditions, industry dynamics, technological improvements or changes and any other relevant factors, our growth

strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. A decrease in the demand for our products may result in a decrease in our revenue from operations and profitability. We cannot assure you that our growth strategy will continue to be successful or our revenue from operations and profits will continue to increase at historical rates. Our inability to manage our business, profitability and growth strategy could have a material adverse effect on our business, financial condition, and results of operations.

For further information, including in relation to the increase in revenue from operations and profit after tax, please refer to chapter titled “Management Discussion and Analysis of Financial Position and Results of Operations” beginning from page 310.

6. We conduct our business activities on a purchase order basis and therefore, have not entered into long-term agreements with our customers.

Though we have had repeat orders from customers and have developed long-term relationships with certain customers, we typically do not enter into long-term contracts with our customers. In the absence of long-term contracts, there can be no assurance that our existing customers will continue to purchase our products and any loss of our customers will have a material adverse effect on our business, results of operations and financial condition. Customers with whom we do not have long-term agreements may choose to cease sourcing our products. In the event a customer ceases to use us as its preferred supplier for their products, we cannot assure you that we will be successful in marketing those products to another customer. Further, in the event of any disputes with our customers including in relation to payments for the products supplied, in the absence of formal, long-term agreements, we may have limited recourse to seek contractual remedies against our customers. Our relationship with our key customers are therefore dependent to a large extent on our ability to regularly meet customer requirements, including price competitiveness, efficient and timely product deliveries and consistent product quality. In the event we are unable to meet such requirements in the future, it may result in decrease in orders or cessation of business from affected customers. Although, we have not experienced any such instances in the period ended on March 31, 2024 & December 31, 2023 and financial year ended on March 31, 2023 and 2022.

Identifying a suitable customer involves a process that requires satisfaction and commercial acceptance for both the parties. Consequently, we are also exposed to price fluctuations in goods, and these fluctuations may adversely affect our ability to obtain orders and / or to execute them in a timely manner, which would have a material adverse effect on our business, results of operations and financial condition. Although, we have not experienced any such instances in the period ended on March 31, 2024 & December 31, 2023 and financial year ended on March 31, 2023 and 2022.

Further, unfavorable terms may also force us to reduce the scale of our operations resulting in a down-sizing of our overall business.

Any delay, interruption or increased cost in the product arising from a lack of long-term contracts could have an adverse effect on our ability to meet customer demand for our products and result in lower revenue from operations both in the short and long term.

However, as we have not entered into any long-term contracts with these customers and we cater to them on an order-by-order basis. As a result, our customers can terminate their relationships with us without any notice and, without consequence, which could materially and adversely impact our business. we have not experienced any such instances in the period ended on March 31, 2024 & December 31, 2023 and financial year ended on March 31, 2023 and 2022.

7. Increase in costs or a shortfall in availability of the raw materials we purchase, could have a material adverse effect on our Company's sales, profitability and results of operations

Our Company is dependent on third party suppliers for procuring the raw materials which we use for manufacturing our products. We are exposed to fluctuations in the prices of these raw materials as well as its unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers and our major requirement is met in the spot market. The cost and availability of such raw materials are subject to a variety of factors and any increase in their cost and their availability at a reasonable price or at all, could adversely affect our margins, sales and results of operations. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials. If we were to experience a significant or prolonged shortage of such raw materials from any of our suppliers, and we cannot procure the products from other sources, we would be unable to meet our product schedules and to deliver such products to our customers in timely fashion, which would adversely affect our sales, margins and customer relations. We cannot assure you that a particular supplier will continue to supply the required materials to us in the future. Any change in the supplying pattern of our products can adversely affect our business and profits. Though we enjoy favorable terms from the suppliers both in prices as well as in supplies, our inability to obtain high quality raw materials in a timely and cost-effective manner would cause delays in our production cycles and delivery schedules, which may result in the loss of our customers and revenues. We have not experienced any such instances in the period ended on March 31, 2024 & December 31, 2023 and financial year ended on March 31, 2023 and 2022.

8. A significant portion of our profitability is dependent on sales of our key injectable formulations and softgel products. If the sales volume or pricing of such products declines in the future, or if we can no longer sell any of the key compounds for any reason, our business, financial condition, cash flows and results of operations could be materially adversely affected.

A significant portion of our profits is dependent on sales of our key injectables formulations and softgel products for that year.

Our key injectables formulations vary from year to year as a result of market demand and opportunities. As a result of increased competition, pricing pressures or fluctuation in the demand or supply of these products or products in the injectables category generally, our sales and margins from these products may decline in the future. If the sales volume or pricing of such products declines in the future, our business, financial condition, cash flows and results of operations could be materially adversely affected, Although, we have not experienced any such instances in the period ended on March 31, 2024 & December 31, 2023 and financial year ended on March 31, 2023 and 2022.

Furthermore, our key injectables formulations could be rendered obsolete or negatively impacted by numerous factors, many of which are beyond our control, including development by others of new pharmaceutical products that are more effective than ours and changes in the prescribing practices of physicians and manufacturing or supply interruptions.

The manufacturing process of our products is highly complex, and we may experience problems during manufacturing for a variety of reasons, including equipment malfunction, failure to follow specific protocols and procedures, manufacturing quality concerns, problems with raw materials, natural disaster related events or other environmental factors. If we experience any of the abovementioned problems and are unable to sell any of these compounds in the future, our business, financial condition, cash flows and results of operations could be materially adversely affected.

9. We operate in a market that is highly competitive. We compete to provide outsourced pharmaceutical manufacturing services, particularly for formulations, to pharmaceutical companies in India and other jurisdictions.

We compete to provide services to pharmaceutical companies in the manufacturing industry. Our competition in the manufacturing services and products SBV includes full-service pharmaceutical outsourcing or manufacturing 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.

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. 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.

10. We require a number of approvals, licenses including recurring licences, registration and permits for our business and failure to obtain or renew them in a timely manner may adversely affect our operations. In some cases, we may be operating without all the required permissions, risking civil and criminal sanctions.

We may require several statutory and regulatory permits, licenses and approvals in the ordinary course of our business. Many of these approvals are granted for fixed periods of time and some need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. Further, we may require new registrations and approvals for any proposed operations, including any expansion of existing operations. While we believe that we will be able to renew or obtain such registrations and approvals, as and when required, there can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals.

Failure to obtain and renew such registrations and approvals within statutory time frame may attract penal provisions. Further, such non-compliance may result in proceedings against our Company and the Directors and such actions may directly and immediately affect our operations and may have a material adverse effect on our revenues, profits and operations. Although, we have not experienced any such instances in the period ended on March 31, 2024 & December 31, 2023 and financial year ended on March 31, 2023 and 2022. **For further details, see “Government and other Statutory Approval” on page 327 of this Prospectus.**

11. Our expansion into new product categories and business verticals and increase in the number of products offered may expose us to new challenges and more risks.

We may face challenges in inspecting and controlling quality, regulatory requirements, handling, storage and delivery of such new products. We may also need to price aggressively in new categories to obtain traction with consumers improve brand awareness, which may not be possible in instances where a product manufacturer imposes restrictions on our ability to offer such products at a discount and which would adversely affect our gross margins.

We may also make substantial investments in launching such new products on our platform Expansion of our offerings or business verticals may also strain our management and operational resources. It may also be difficult for us to achieve profitability with new products and as a result, our profit margins may be lower than we anticipate, which would adversely affect our results of operations. We cannot assure you that we will be able to recover our investments in introducing any new products or that any such

new products will be successful by any measure.

- 12. The Company is yet to place orders for 100% of the plant & machinery and equipment for some of our proposed object, as specified in the Objects of the Issue. Any delay in placing orders, procurement of such plant & machinery and equipment may delay our implementation schedule and may also lead to increase in price of these plant & machineries and equipment, further affecting our revenue and profitability.**

Although we have identified the type of plant and machineries and equipment required to be bought for our expansion enhancement of capacity and other capex, we are yet to place order for 100% of the plant & machinery and other equipment.

These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management's views of the desirability of current plans, change in supplier of equipment, among others, which may have an adverse effect on our business and results of operations. Further, we cannot assure that we would be able to procure these plant and machinery, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun in the implementation of the Project, which would have a material adverse effect on our business, results of operations and financial condition.

For further details, please refer to the chapter titled "Objects of the Issue" beginning on page 112 of this Draft Red Herring Prospectus

- 13. Our business is manpower intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees**

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

Presently, our workforce is not unionized. However, if a substantial portion of our workforce were to become unionized in the future, our labour costs could rise. Compliance with labour laws and the negotiation of collective agreements might result in increased financial commitments, affecting our employee costs.

- 14. We do not own the land on which our registered office and one manufacturing facility (unit-I) and are on lease arrangement any termination of such lease/license and/or non-renewal thereof and attachment by Property Owner could adversely affect our operations.**

Our Company does not own the land on which our registered office and one of the manufacturing facility (unit-I) for Softgel products is located. We have taken the same on lease from third parties. Our lease for registered office is valid till April 2025 and our lease where manufacturing facility is valid till December, 2029. Both the deeds can be extended subject to mutual consent of both the parties respectively. If we are unable to renew the lease or if the lease is not renewed on favourable conditions, it may affect our operations adversely. Also, if we do not comply with certain conditions of the lease agreement, it may lead to termination of the lease. In the event of non-renewal or termination of the lease, we may have to vacate our current premises and shift to new premises. There can be no assurance that we shall be able to find a suitable location, or one at present terms and conditions. Any additional burden due to shifting of premises, or increased capital expenditure, may adversely affect our business operations and financial conditions.

15. We are subject to risks associated with expansion into new geographic regions.

Expansion into new geographic regions, including different states in India, subjects us to various challenges, including those relating to our lack of familiarity with the culture, legal regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including, laws and regulations, uncertainties and political and economic stability.

By expanding into new geographical regions, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

16. Our inability to accurately forecast demand or price for our products and manage our inventory may adversely affect our business, results of operations, financial condition, and cash flows. Our business depends on our estimate of the demand for our products from customers.

We estimate demand for our products based on market projections. If we overestimate demand, we may purchase more raw materials and manufacture more products than required. If we underestimate demand, we may manufacture fewer quantities of products than required, which could result in delayed or non-fulfilment of purchase orders resulting in loss of customers, goodwill and business. If we under stock one or more of our products, we may not be able to obtain additional units in a timely manner, which could also adversely affect our goodwill and results of operations. In addition, if our products do not achieve widespread acceptance, or our customers change their procurement preferences, we may be required to incur 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.

17. Significant portion of our revenue is from sales of already commercialized drugs

We are a pharmaceutical company, engaged in the business of manufacturing and distribution of pharmaceutical/ healthcare products. We derive a significant portion of our revenues from pharmaceutical formulations and products manufactured on contract manufacturing under loan license.

Any decline in the order quantity by such parties or any rise in our job work charges may adversely affect our operations. Further there can be no assurance that such parties shall continuously provide their orders. Any withdrawal of such order from such parties or supply of same product by other such manufacturer at better rates may adversely affect our result of operations and future prospects.

18. We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business. Some of our approvals are required to be transferred in the name of “Amster Labs Limited” from “Amster Labs” pursuant to conversion of the firm into company and failure or delay in obtaining the same in a timely manner may adversely affect our operations.

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

Further, pursuant to our recent change in constitution from Amser Labs, a Partnership Firm to Amster Labs Limited, a public limited company, under the applicable provisions and procedures of Companies Act, 2013. Many of the Licenses and approvals are in the old name, the same are required to be updated / changed with various government / semi government authorities and various organizations. We are in the process of taking necessary steps for transferring the approvals in the new name of our Company. There can be no assurance that the relevant authorities will renew or issue any of such permits or approvals in the timeframe anticipated by us or at all. Any failure to apply for and obtain the required approvals, licenses, registrations or permits in a timely manner, or any suspension or revocation of any of the approvals, licenses, registrations and permits would result in a delay in our business operations which could otherwise adversely affect our financial condition, results of operations and future prospects of the Company. We cannot assure you that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. In addition to the same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business and results of operations. Details in respect to license, please refer page 328.

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

We have entered into various transactions with our Directors/ Promoter and Promoter Group members. These transactions, inter-alia include, remuneration, loans and advances, etc. For details, please refer to “**Annexure-VIII- Related Party Transactions**” under Section titled “Financial Information of the Company” of this Draft Red Herring Prospectus. Our Company has entered such transactions due to easy proximity and quick execution on arms-length price in compliance with provisions of Companies Act, 2013 and other applicable laws. Although all related-party transactions that we may enter into in the future are subject to approval by Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions are not entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

20. Our operations may include activities that could be harm to the health of labour/worker and other risks which could expose us to material liabilities and increased expenses and negatively impact employee morale.

Our operations may include activities that could be harm to the health of labour/worker which include risks such as infections, exposition to harmful waste materials, equipment malfunctions, work accidents, fire or explosion including harm that may cause injury and loss of life, environmental damage. We may be unable to mitigate these risks through insurance. Losses may arise from risks which are not addressed in insurance policies, or we may be unable to obtain adequate insurance against some risks on commercially reasonable terms. Workplace accidents and high accident rates may expose us to litigation, take up our management’s time and resources and materially increase our future insurance and other operating costs. Additionally, the occurrence of any of these risks may also adversely affect our operations. These liabilities and costs could have a material adverse effect on our business, results of operations and financial condition.

However, in our track record, there have been zero incidents where workers have been harmed. This achievement underscores our commitment to safety, mitigating risks, and protecting the well-being of our workforce, which in turn helps us avoid significant liabilities, reduce expenses, and maintain high employee morale.

21. Delay in making any Statutory payments viz. Tax Deducted at Source, Income Tax, Good and Service Tax, Employee Provident Fund, ESIC or any other Statutory dues which may attract any penalty or demand raised by statutory authorities in future will affect financial position of the Company.

Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax and Income tax and other Statutory taxes as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. We have made delay in certain payment and filing of GST return, TDS return, ESIC return & EPF Return in the past years due to some reasons beyond control. Any demand or penalty imposed by the concerned authority in future for late payments or non-payments, both for any previous year and current year, will have an impact on the financial position of the Company. Details of delay payments mentioned below:

ESIC SUMMARY

FY 2021-22

| Month | Employee Contribution | Company Contribution | Total Amount | Total Amount in Lakhs | Due Date | Paid Amount in Lakhs | Payment Date | Delay in days |
|--------------|-----------------------|----------------------|------------------|-----------------------|------------|----------------------|--------------|---------------|
| Oct | 8,552.00 | 36,914.00 | 45,466.00 | 0.45 | 21-11-2021 | 0.45 | 13-12-2021 | 22 |
| Total | 8,552.00 | 36,914.00 | 45,466.00 | 0.45 | | 0.45 | | |

FY 2022-23

| Month | Employee Contribution | Company Contribution | Total Amount | Total Amount in Lakhs | Due Date | Paid Amount in Lakhs | Payment Date | Delay in days |
|--------------|-----------------------|----------------------|-------------------|-----------------------|------------|----------------------|--------------|---------------|
| Jul | 10,099.00 | 43,594.00 | 53,693.00 | 0.54 | 21-08-2022 | 0.54 | 25-08-2022 | 4 |
| Sep | 9,813.00 | 42,357.00 | 52,170.00 | 0.52 | 21-10-2022 | 0.52 | 15-11-2022 | 25 |
| Total | 19,912.00 | 85,951.00 | 105,863.00 | 1.06 | | 1.06 | | 29 |

FY 2023-24

| Month | Employee Contribution | Company Contribution | Total Amount | Total Amount in Lakhs | Due Date | Paid Amount in Lakhs | Payment Date | Delay in days |
|-------|-----------------------|----------------------|--------------|-----------------------|------------|----------------------|--------------|---------------|
| Jun | 8,960.00 | 38,678.00 | 47,638.00 | 0.48 | 15-07-2023 | 0.48 | 16-08-2023 | 32 |
| Jul | 9,545.00 | 41,192.00 | 50,737.00 | 0.51 | 15-08-2023 | 0.51 | 16-08-2023 | 1 |
| Oct | 10,881.00 | 46,961.00 | 57,842.00 | 0.58 | 15-11-2023 | 0.58 | 20-11-2023 | 5 |
| Nov | 10,810.00 | 46,647.00 | 57,457.00 | 0.57 | 15-12-2023 | 0.57 | 23-01-2024 | 39 |
| Dec | 10,446.00 | 45,078.00 | 55,524.00 | 0.56 | 15-01- | 0.56 | 23-01- | 8 |

| | | | | | | | | |
|--------------|------------------|-------------------|-------------------|-------------|------------|-------------|------------|------------|
| | | | | | 2024 | | 2024 | |
| Jan | 14,281.00 | 61,625.00 | 75,906.00 | 0.76 | 15-02-2024 | 0.76 | 23-02-2024 | 8 |
| Feb | 17,008.00 | 73,475.00 | 90,483.00 | 0.90 | 15-03-2024 | 0.90 | 21-03-2024 | 6 |
| Mar | 15,340.00 | 66,193.00 | 81,533.00 | 0.82 | 15-04-2024 | 0.82 | 15-05-2024 | 30 |
| Total | 97,271.00 | 419,849.00 | 517,120.00 | 5.18 | | 5.18 | | 129 |

| FY 2024-25 | | | | | | | | |
|--------------|-----------------------|----------------------|-------------------|-----------------------|------------|----------------------|--------------|---------------|
| Month | Employee Contribution | Company Contribution | Total Amount | Total Amount in Lakhs | Due Date | Paid Amount in Lakhs | Payment Date | Delay in days |
| Apr | 15,984.00 | 68,978.00 | 84,962.00 | 0.85 | 15-05-2024 | 0.85 | 15-06-2024 | 31 |
| May | 17,079.00 | 73,711.00 | 90,790.00 | 0.91 | 15-06-2024 | 0.91 | 27-07-2024 | 42 |
| Total | 33,063.00 | 142,689.00 | 175,752.00 | 1.76 | | 1.76 | | 73 |

| EPF SUMMARY | | | | | | | | |
|--------------|-----------------------|----------------------|---------------|-----------------------|------------|----------------------|--------------|---------------|
| FY 2021-22 | | | | | | | | |
| Month | Employee Contribution | Company Contribution | Total Amount | Total Amount in Lakhs | Due Date | Paid Amount in Lakhs | Payment Date | Delay in days |
| May | 1,44,365.00 | 1,57,027.00 | 3,01,392.00 | 3.01 | 15-06-2021 | 3.01 | 24-06-2021 | 9 |
| May | 1,350.00 | 1,462.00 | 2,812.00 | 0.03 | 15-06-2021 | 0.03 | 16-07-2021 | 31 |
| Oct | 1,263.00 | 1,369.00 | 2,632.00 | 0.03 | 15-11-2021 | 0.03 | 15-01-2022 | 61 |
| Nov | 360.00 | 390.00 | 750.00 | 0.01 | 15-12-2021 | 0.01 | 15-04-2022 | 121 |
| Feb | 1,70,991.00 | 1,87,974.00 | 3,58,965.00 | 3.59 | 15-03-2022 | 3.59 | 16-03-2022 | 1 |
| Feb | 665.00 | 721.00 | 1,386.00 | 0.01 | 15-03-2022 | 0.01 | 13-05-2022 | 59 |
| Feb | 990.00 | 1,072.00 | 2,062.00 | 0.02 | 15-03-2022 | 0.02 | 14-04-2022 | 30 |
| Mar | 810.00 | 878.00 | 1,688.00 | 0.02 | 15-04-2022 | 0.02 | 13-05-2022 | 28 |
| Total | 320794 | 350893 | 671687 | 6.72 | | 6.72 | | 340 |

| FY 2022-23 | | | | | | | | |
|------------|-----------------------|----------------------|--------------|-----------------------|----------|----------------------|--------------|---------------|
| Month | Employee Contribution | Company Contribution | Total Amount | Total Amount in Lakhs | Due Date | Paid Amount in Lakhs | Payment Date | Delay in days |

| | | | | | | | | |
|--------------|---------------|---------------|----------------|--------------|------------|--------------|------------|-------------|
| Apr | 1,800.00 | 1,950.00 | 3,750.00 | 0.04 | 15-05-2022 | 0.04 | 14-04-2023 | 334 |
| May | 1,800.00 | 1,950.00 | 3,750.00 | 0.04 | 15-06-2022 | 0.04 | 14-04-2023 | 303 |
| Jun | 1,67,566.00 | 1,83,682.00 | 3,51,248.00 | 3.51 | 15-06-2022 | 3.51 | 15-07-2022 | 30 |
| Jun | 3,600.00 | 3,900.00 | 7,500.00 | 0.08 | 15-07-2022 | 0.08 | 25-08-2022 | 41 |
| Jul | 1,67,215.00 | 1,83,175.00 | 3,50,390.00 | 3.50 | 15-08-2022 | 3.50 | 25-08-2022 | 10 |
| Jul | 81,121.00 | 89,751.00 | 1,70,872.00 | 1.71 | 15-08-2022 | 1.71 | 15-09-2022 | 31 |
| Aug | 82,741.00 | 91,592.00 | 1,74,333.00 | 1.74 | 15-09-2022 | 1.74 | 10-11-2022 | 56 |
| Sep | 82,173.00 | 88,887.00 | 1,71,060.00 | 1.71 | 15-10-2022 | 1.71 | 27-10-2022 | 12 |
| Sep | 86,249.00 | 94,992.00 | 1,81,241.00 | 1.81 | 15-10-2022 | 1.81 | 15-11-2022 | 31 |
| Oct | 1,800.00 | 1,950.00 | 3,750.00 | 0.04 | 15-11-2022 | 0.04 | 14-04-2023 | 150 |
| Nov | 1,67,422.00 | 1,83,036.00 | 3,50,458.00 | 3.50 | 15-12-2022 | 3.50 | 20-12-2022 | 5 |
| Nov | 1,800.00 | 1,950.00 | 3,750.00 | 0.04 | 15-12-2022 | 0.04 | 14-04-2023 | 120 |
| Dec | 3,420.00 | 3,706.00 | 7,126.00 | 0.07 | 15-01-2023 | 0.07 | 14-04-2023 | 89 |
| Jan | 1,800.00 | 1,950.00 | 3,750.00 | 0.04 | 15-02-2023 | 0.04 | 14-04-2023 | 58 |
| Total | 850507 | 932471 | 1782978 | 17.83 | | 17.83 | | 1282 |

| FY 2023-24 | | | | | | | | |
|--------------|-----------------------|----------------------|---------------|-----------------------|------------|----------------------|--------------|---------------|
| Month | Employee Contribution | Company Contribution | Total Amount | Total Amount in Lakhs | Due Date | Paid Amount in Lakhs | Payment Date | Delay in das |
| Jun | 680.00 | 737.00 | 1,417.00 | 0.01 | 15-07-2023 | 0.01 | 16-08-2023 | 32 |
| Jul | 1,85,264.00 | 2,01,556.00 | 3,86,820.00 | 3.87 | 15-08-2023 | 3.87 | 16-08-2023 | 1 |
| Jul | 2,177.00 | 2,359.00 | 4,536.00 | 0.05 | 15-08-2023 | 0.05 | 15-09-2023 | 31 |
| Dec | 1,97,697.00 | 2,14,849.00 | 4,12,546.00 | 4.13 | 15-01-2024 | 4.13 | 23-01-2024 | 8 |
| Mar | 17,422.00 | 18,875.00 | 36,297.00 | 0.36 | 15-04-2024 | 0.36 | 14-08-2024 | 121 |
| Total | 403240 | 438376 | 841616 | 8.42 | | 8.42 | | 193 |
| FY 2024-25 | | | | | | | | |
| Month | Employee Contribution | Company Contribution | Total Amount | Total Amount in Lakhs | Due Date | Paid Amount in Lakhs | Payment Date | Delay in days |

| | | | | | | | | |
|--------------|---------------|---------------|---------------|-------------|------------|-------------|------------|------------|
| Apr | 18,038.00 | 19,542.00 | 37,580.00 | 0.38 | 15-05-2024 | 0.38 | 14-08-2024 | 91 |
| May | 18,162.00 | 19,677.00 | 37,839.00 | 0.38 | 15-06-2024 | 0.38 | 14-08-2024 | 60 |
| Jun | 4,09,401.00 | 4,40,006.00 | 8,49,407.00 | 8.49 | 15-07-2024 | 8.49 | 14-09-2024 | 61 |
| Jun | 18,763.00 | 20,325.00 | 39,088.00 | 0.39 | 15-07-2024 | 0.39 | 14-09-2024 | 61 |
| Jul | 17,281.00 | 18,719.00 | 36,000.00 | 0.36 | 15-08-2024 | 0.36 | 14-09-2024 | 30 |
| Total | 481645 | 518269 | 999914 | 9.61 | | 9.61 | | 303 |

| GST Payment Details Amster Labs Limited (Unit 1) | | | | | | |
|--|-------------------------|---------------|------------|------------------|--------------|---------------|
| FY 2021-22 | | | | | | |
| Month | Payable Amount in Lakhs | ITC in Lakhs | Due Date | payment In Lakhs | Payment Date | Delay in days |
| Apr | 55.01814 | 45.41 | 20-05-2021 | 55.02 | 04-06-2021 | 15 |
| May | 65.26 | 57.67 | 20-06-2021 | 65.26 | 05-07-2021 | 15 |
| Total | 120.27814 | 103.08 | | 120.28 | | 30 |

| GST Payment Details Amster Labs Limited (Unit 1) | | | | | | |
|--|-------------------------|---------------|------------|------------------|--------------|---------------|
| FY 2022-23 | | | | | | |
| Month | Payable Amount in Lakhs | ITC in Lakhs | Due Date | payment In Lakhs | Payment Date | Delay in days |
| Apr | 34.15 | 51.84 | 20-05-2022 | 34.15 | 24-05-2022 | 4 |
| Sep | 65.79 | 66.73 | 20-10-2022 | 65.79 | 11-11-2022 | 22 |
| Oct | 70.03 | 65.07 | 20-11-2022 | 70.03 | 21-11-2022 | 1 |
| Mar | 36.76 | 33.10 | 20-04-2023 | 36.76 | 27-04-2023 | 7 |
| Total | 206.73 | 216.74 | | 206.73 | | 34 |

| GST Payment Details Amster Labs Limited (Unit 1) | | | | | | |
|--|-------------------------|---------------|------------|------------------|--------------|---------------|
| FY 2023-24 | | | | | | |
| Month | Payable Amount in Lakhs | ITC in Lakhs | Due Date | payment In Lakhs | Payment Date | Delay in days |
| Apr | 43.96 | 44.81 | 20-05-2023 | 43.96 | 01-06-2023 | 12 |
| Jun | 51.59 | 41.31 | 20-07-2023 | 51.59 | 12-08-2023 | 23 |
| Jul | 45.29 | 37.20 | 20-08-2023 | 45.29 | 25-08-2023 | 5 |
| Oct | 45.82 | 35.31 | 20-11-2023 | 45.82 | 23-11-2023 | 3 |
| Nov | 41.81 | 41.89 | 20-12-2023 | 41.81 | 03-01-2024 | 14 |
| Dec | 59.16 | 46.90 | 20-01-2024 | 59.16 | 26-02-2024 | 37 |
| Total | 287.63 | 247.42 | | 287.63 | | 94 |

| GST Payment Details for Amster Labs Limited (Unit 2) | | | | | | |
|--|-------------------------|---------------|------------|------------------|--------------|---------------|
| FY 2021-22 | | | | | | |
| Month | Payable Amount in Lakhs | ITC in Lakhs | Due Date | payment In Lakhs | Payment Date | Delay in days |
| Apr | 24.28 | 49.30 | 20-05-2021 | 24.28 | 04-06-2021 | 15 |
| May | 43.01 | 76.33 | 20-06-2021 | 43.01 | 05-07-2021 | 15 |
| Aug | 34.40 | 55.07 | 20-09-2021 | 34.40 | 21-09-2021 | 1 |
| Nov | 44.05 | 74.43 | 20-12-2021 | 44.05 | 21-12-2021 | 1 |
| Feb | 89.19 | 100.54 | 20-03-2022 | 89.19 | 26-03-2022 | 6 |
| Total | 243.93 | 355.67 | | 243.93 | | 38 |

| GST Payment Details Amster Labs Limited (Unit 2) | | | | | | |
|--|-------------------------|---------------|------------|------------------|--------------|---------------|
| FY 2022-23 | | | | | | |
| Month | Payable Amount in Lakhs | ITC in Lakhs | Due Date | payment In Lakhs | Payment Date | Delay in days |
| Apr | 76.49 | 113.98 | 20-05-2022 | 76.49 | 24-05-2022 | 4 |
| Sep | 71.26 | 76.62 | 20-10-2022 | 71.26 | 31-10-2022 | 11 |
| Mar | 61.62 | 71.99 | 20-04-2023 | 61.62 | 28-04-2023 | 8 |
| Total | 209.37 | 262.59 | | 778.40 | | |

| GST Payment Details Amster Labs Limited (Unit 2) | | | | | | |
|--|-------------------------|---------------|------------|------------------|--------------|---------------|
| FY 2023-24 | | | | | | |
| Month | Payable Amount in Lakhs | ITC in Lakhs | Due Date | payment In Lakhs | Payment Date | Delay in days |
| Jul | 63.53 | 140.61 | 20-08-2023 | 63.53 | 25-08-2023 | 5 |
| Dec | 161.87 | 167.36 | 20-01-2024 | 161.87 | 24-01-2024 | 4 |
| Total | 225.4 | 307.97 | | 1261.67 | | 9 |

| GST Payment Details Amster Labs Limited (Unit 2) | | | | | | |
|--|-------------------------|---------------|------------|------------------|--------------|---------------|
| FY 2024-25 | | | | | | |
| Month | Payable Amount in Lakhs | ITC in Lakhs | Due Date | payment In Lakhs | Payment Date | Delay in days |
| Apr | 142.86 | 178.99 | 20-05-2024 | 142.86 | 23-05-2024 | 3 |
| Total | 142.86 | 178.99 | - | 142.86 | - | 3 |

| TDS/TCS Detail | | | | | |
|----------------|------------------|----------|------------------|-----------------|---------------|
| FY 21-22 | | | | | |
| Month | Payable in Lakhs | Due Date | Payment in Lakhs | Date of Deposit | Delay in days |
| May-21 | 0.21 | 7-Jun-21 | 0.21 | 8-Jun-21 | 1 |
| Jul-21 | 0.01 | 7-Aug-21 | 0.01 | 28-Oct-21 | 82 |

| | | | | | |
|--------------|-------------|-----------|-------------|-----------|-------------|
| Jul-21 | 0.02 | 7-Aug-21 | 0.02 | 29-Oct-21 | 83 |
| Sep-21 | 0.00 | 7-Oct-21 | 0.00 | 29-Oct-21 | 22 |
| Oct-21 | 0.40 | 7-Nov-21 | 0.40 | 8-Dec-21 | 31 |
| Nov-21 | 0.43 | 7-Dec-21 | 0.43 | 8-Dec-21 | 1 |
| Jan-22 | 0.01 | 7-Feb-22 | 0.01 | 14-Feb-22 | 7 |
| Jan-22 | 0.14 | 7-Feb-22 | 0.14 | 30-Apr-22 | 82 |
| Jan-22 | 0.01 | 7-Feb-22 | 0.01 | 30-May-22 | 112 |
| Feb-22 | 0.37 | 7-Mar-22 | 0.37 | 31-Mar-22 | 24 |
| Feb-22 | 1.11 | 7-Mar-22 | 1.11 | 30-May-22 | 84 |
| Mar-22 | 0.75 | 30-Apr-22 | 0.75 | 30-May-22 | 30 |
| Mar-22 | 0.61 | 30-Apr-22 | 0.61 | 27-Jul-22 | 88 |
| Mar-22 | 0.04 | 30-Apr-22 | 0.04 | 28-Jul-22 | 89 |
| Mar-22 | 0.41 | 30-Apr-22 | 0.41 | 29-Jul-22 | 90 |
| Mar-22 | 0.00 | 30-Apr-22 | 0.00 | 22-Aug-22 | 114 |
| Mar-22 | 0.52 | 30-Apr-22 | 0.52 | 30-Sep-22 | 153 |
| Total | 5.04 | | 5.04 | | 1093 |

| TDS/TCS Detail | | | | | |
|-----------------------|-------------------------|-----------------|-------------------------|------------------------|----------------------|
| FY 22-23 | | | | | |
| Month | Payable in Lakhs | Due Date | Payment in Lakhs | Date of Deposit | Delay in days |
| Apr-22 | 0.00 | 7-May-22 | 0.00 | 11-May-22 | 4 |
| Apr-22 | 0.43 | 7-May-22 | 0.43 | 28-Jul-22 | 82 |
| May-22 | 0.03 | 7-Jun-22 | 0.03 | 27-Jul-22 | 50 |
| May-22 | 0.67 | 7-Jun-22 | 0.67 | 28-Jul-22 | 51 |
| Jun-22 | 0.30 | 7-Jul-22 | 0.30 | 28-Jul-22 | 21 |
| Jul-22 | 0.81 | 7-Aug-22 | 0.81 | 8-Aug-22 | 1 |
| Jul-22 | 0.38 | 7-Aug-22 | 0.38 | 9-Aug-22 | 2 |
| Oct-22 | 1.22 | 7-Nov-22 | 1.22 | 11-Nov-22 | 4 |
| Jan-23 | 0.01 | 7-Feb-23 | 0.01 | 24-Mar-23 | 45 |
| Jan-23 | 2.36 | 7-Feb-23 | 2.36 | 20-Jun-23 | 133 |
| Feb-23 | 1.56 | 7-Mar-23 | 1.56 | 24-Mar-23 | 17 |
| Feb-23 | 0.67 | 7-Mar-23 | 0.67 | 20-Jun-23 | 105 |
| Mar-23 | 2.60 | 30-Apr-23 | 2.60 | 25-May-23 | 25 |
| Mar-23 | 1.37 | 30-Apr-23 | 1.37 | 29-May-23 | 29 |
| Mar-23 | 2.48 | 30-Apr-23 | 2.48 | 14-Jun-23 | 45 |
| Mar-23 | 0.59 | 30-Apr-23 | 0.59 | 20-Jun-23 | 51 |
| Mar-23 | 0.05 | 30-Apr-23 | 0.05 | 7-Jul-23 | 68 |
| Mar-23 | 1.27 | 30-Apr-23 | 1.27 | 24-Jul-23 | 85 |
| Mar-23 | 0.15 | 30-Apr-23 | 0.15 | 29-Sep-23 | 152 |
| Total | 16.95 | | 16.95 | | 970 |

| TDS/TCS Detail | | | | | |
|-----------------------|-------------------------|-----------------|-------------------------|------------------------|----------------------|
| FY 22-23 | | | | | |
| Month | Payable in Lakhs | Due Date | Payment in Lakhs | Date of Deposit | Delay in days |
| Apr-22 | 0.00 | 7-May-22 | 0.00 | 11-May-22 | 4 |
| Apr-22 | 0.43 | 7-May-22 | 0.43 | 28-Jul-22 | 82 |
| May-22 | 0.03 | 7-Jun-22 | 0.03 | 27-Jul-22 | 50 |
| May-22 | 0.67 | 7-Jun-22 | 0.67 | 28-Jul-22 | 51 |
| Jun-22 | 0.30 | 7-Jul-22 | 0.30 | 28-Jul-22 | 21 |
| Jul-22 | 0.81 | 7-Aug-22 | 0.81 | 8-Aug-22 | 1 |
| Jul-22 | 0.38 | 7-Aug-22 | 0.38 | 9-Aug-22 | 2 |
| Oct-22 | 1.22 | 7-Nov-22 | 1.22 | 11-Nov-22 | 4 |
| Jan-23 | 0.01 | 7-Feb-23 | 0.01 | 24-Mar-23 | 45 |
| Jan-23 | 2.36 | 7-Feb-23 | 2.36 | 20-Jun-23 | 133 |
| Feb-23 | 1.56 | 7-Mar-23 | 1.56 | 24-Mar-23 | 17 |
| Feb-23 | 0.67 | 7-Mar-23 | 0.67 | 20-Jun-23 | 105 |
| Mar-23 | 2.60 | 30-Apr-23 | 2.60 | 25-May-23 | 25 |
| Mar-23 | 1.37 | 30-Apr-23 | 1.37 | 29-May-23 | 29 |
| Mar-23 | 2.48 | 30-Apr-23 | 2.48 | 14-Jun-23 | 45 |
| Mar-23 | 0.59 | 30-Apr-23 | 0.59 | 20-Jun-23 | 51 |
| Mar-23 | 0.05 | 30-Apr-23 | 0.05 | 7-Jul-23 | 68 |
| Mar-23 | 1.27 | 30-Apr-23 | 1.27 | 24-Jul-23 | 85 |
| Mar-23 | 0.15 | 30-Apr-23 | 0.15 | 29-Sep-23 | 152 |
| Total | 16.95 | | 16.95 | | 970 |

| TDS/TCS Detail | | | | | |
|-----------------------|-------------------------|-----------------|-------------------------|------------------------|----------------------|
| FY 23-24 | | | | | |
| Month | Payable in Lakhs | Due Date | Payment in Lakhs | Date of Deposit | Delay in days |
| Apr-23 | 0.26 | 7-May-23 | 0.26 | 8-Aug-23 | 93 |
| Apr-23 | 0.89 | 7-May-23 | 0.89 | 29-Jul-23 | 83 |
| May-23 | 0.46 | 7-Jun-23 | 0.46 | 12-Jun-23 | 5 |
| May-23 | 0.36 | 7-Jun-23 | 0.36 | 29-Jul-23 | 52 |
| May-23 | 0.22 | 7-Jun-23 | 0.22 | 8-Aug-23 | 62 |
| May-23 | 0.23 | 7-Jun-23 | 0.23 | 6-Sep-23 | 91 |
| Jun-23 | 0.38 | 7-Jul-23 | 0.38 | 6-Sep-23 | 61 |
| Jun-23 | 0.07 | 7-Jul-23 | 0.07 | 29-Sep-23 | 84 |
| Jul-23 | 0.51 | 7-Aug-23 | 0.51 | 29-Sep-23 | 53 |
| Jul-23 | 0.37 | 7-Aug-23 | 0.37 | 13-Jun-23 | 55 |
| Jul-23 | 0.41 | 7-Aug-23 | 0.41 | 8-Aug-23 | 1 |
| Aug-23 | 0.09 | 7-Sep-23 | 0.09 | 8-Aug-23 | 30 |
| Aug-23 | 1.65 | 7-Sep-23 | 1.65 | 6-Sep-23 | 1 |
| Aug-23 | 0.06 | 7-Sep-23 | 0.06 | 8-Sep-23 | 1 |
| Aug-23 | 0.06 | 7-Sep-23 | 0.06 | 29-Sep-23 | 22 |

| | | | | | |
|--------------|--------------|-----------|--------------|-----------|-------------|
| Aug-23 | 0.04 | 7-Sep-23 | 0.04 | 30-Oct-23 | 53 |
| Aug-23 | 0.33 | 7-Sep-23 | 0.33 | 8-Nov-23 | 62 |
| Sep-23 | 0.05 | 7-Oct-23 | 0.05 | 8-Nov-23 | 32 |
| Sep-23 | 0.23 | 7-Oct-23 | 0.23 | 8-Dec-23 | 62 |
| Sep-23 | 0.18 | 7-Oct-23 | 0.18 | 29-Jan-24 | 114 |
| Oct-23 | 0.42 | 7-Nov-23 | 0.42 | 30-Oct-23 | 8 |
| Oct-23 | 0.59 | 7-Nov-23 | 0.59 | 8-Nov-23 | 1 |
| Oct-23 | 0.58 | 7-Nov-23 | 0.58 | 29-Jan-24 | 83 |
| Nov-23 | 0.40 | 7-Dec-23 | 0.40 | 8-Nov-23 | 29 |
| Nov-23 | 0.04 | 7-Dec-23 | 0.04 | 8-Dec-23 | 1 |
| Nov-23 | 1.81 | 7-Dec-23 | 1.81 | 29-Jan-24 | 53 |
| Dec-23 | 0.12 | 7-Jan-24 | 0.12 | 6-Sep-23 | 123 |
| Dec-23 | 0.05 | 7-Jan-24 | 0.05 | 30-Oct-23 | 69 |
| Dec-23 | 0.07 | 7-Jan-24 | 0.07 | 8-Nov-23 | 60 |
| Dec-23 | 4.34 | 7-Jan-24 | 4.34 | 29-Jan-24 | 22 |
| Jan-24 | 0.12 | 7-Feb-24 | 0.12 | 11-Mar-24 | 33 |
| Jan-24 | 0.51 | 7-Feb-24 | 0.51 | 30-Apr-24 | 83 |
| Jan-24 | 0.04 | 7-Feb-24 | 0.04 | 29-May-24 | 112 |
| Feb-24 | 0.40 | 7-Mar-24 | 0.40 | 6-Mar-24 | 1 |
| Feb-24 | 2.01 | 7-Mar-24 | 2.01 | 11-Mar-24 | 4 |
| Feb-24 | 0.58 | 7-Mar-24 | 0.58 | 30-Apr-24 | 54 |
| Feb-24 | 0.01 | 7-Mar-24 | 0.01 | 29-May-24 | 83 |
| Mar-24 | 0.34 | 30-Apr-24 | 0.34 | 25-May-24 | 25 |
| Mar-24 | 0.03 | 30-Apr-24 | 0.03 | 11-Mar-24 | 50 |
| Mar-24 | 0.17 | 30-Apr-24 | 0.17 | 29-May-24 | 29 |
| Total | 19.48 | | 19.48 | | 1940 |

| TDS/TCS Detail | | | | | |
|----------------|------------------|----------|------------------|-----------------|---------------|
| FY 24-25 | | | | | |
| Month | Payable in Lakhs | Due Date | Payment in Lakhs | Date of Deposit | Delay in days |
| Apr-24 | 6.78 | 7-May-24 | 6.78 | 7-Jun-24 | 31 |
| May-24 | 4.57 | 7-Jun-24 | 4.57 | 7-Jul-24 | 30 |
| Jul-24 | 0.00 | 7-Aug-24 | 0.00 | 7-Sep-24 | 31 |
| Total | 11.35 | | 11.35 | | 92 |

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

Our business operations are heavily dependent on the adequate and timely availability of working capital. Over the last three fiscal years, we have observed fluctuations in our working capital requirements due to variations in our operational scale, procurement cycles, and market conditions. Any discontinuance, delay, or inability to secure sufficient working capital, whether due to inadequate cash flows, delays in disbursement

of arranged funds, or unfavorable borrowing terms, could adversely impact our ability to meet day-to-day operational needs. This, in turn, may hinder our operational efficiency, profitability, and growth prospects.

To date, we have successfully met our working capital requirements through internal accruals and unsecured loans from directors. As we plan to expand our business operations, the demand for working capital is expected to increase correspondingly. If we fail to maintain adequate cash flow, secure necessary credit facilities, or arrange for other sources of funding in a timely and favorable manner, our financial condition and operational results may be negatively impacted.

For more detailed information regarding our working capital requirements, please refer to the chapter titled “Objects of the Issue” beginning on page no. 112 of this Prospectus.

23. Our margins are dependent on product mix, and any change in the product mix, could adversely affect our business, results of operations, financial condition and cash flows.

Our product mix has evolved over the past several years as we entered new product categories. We are consistently expanding our product portfolio on new pharmaceutical formulations in response to market demand.

Margins in pharmaceutical sector depends upon number of factors that includes: product line, category of product; generic or branded, therapeutic area of drugs, regulatory approvals and market competition.

As substantial part of our revenue depends upon the orders from our customer, thus, our past results of operations should not be taken as indicative of our future performance. If we cannot successfully manage our product mix due to some unforeseen circumstances, address new challenges or compete effectively, we may not be able achieve profitability, and our future results of operations and growth prospects may be materially and adversely affected.

24. Any manufacturing or quality control problems may damage our reputation for high quality products and expose us to litigation or other liabilities, which could adversely affect our financial results.

Pharmaceutical manufacturers are subject to significant regulatory scrutiny. Our manufacturing facility must manufacture products in accordance with Good Manufacturing Practices stipulated by WHO, state level food and drug administrations, the DCGI and other regulatory agencies, as applicable. Furthermore, we are liable for the quality of our products for the entire duration of the shelf life of the product. After our products reach the market, certain developments could adversely affect demand for our products, including any contamination of our products by intermediaries, re-review of products that are already marketed, new scientific information, greater scrutiny in advertising and promotion, the discovery of previously unknown side effects or the recall or loss of approval of products that we manufacture, market or sell. Disputes over nonconformity of our products with such quality standards or specifications are generally referred to independent government approved testing laboratories. If any such independent laboratory confirms that our products do not conform to the prescribed or agreed standards and specifications, we would bear the expenses of replacing and testing such products, which could adversely affect our business, results of operations and financial condition.

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

Entities could pass off their own products as ours, including counterfeit or pirated products. For example, certain entities could imitate our brand name, packaging materials or attempt to create look-alike products. As a result, our market share could be reduced due to replacement of demand for our products and adversely affect our goodwill. Such measures include, monitoring products in the market and initiating actions against counterfeiters, each of which entails incurring significant costs at our end.

The proliferation of counterfeit and pirated products, and the time and attention lost to defending claims and complaints about counterfeit products could have an adverse effect on our goodwill and our business, prospects, results of operations and financial condition could suffer.

26. 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. The development, testing, manufacturing, marketing and sale of pharmaceutical products are subject to extensive regulation in India and other countries. We are required to comply with the regulatory requirements of various local, state, provincial and national regulatory authorities, such as, the state level food and drug administrations (“FDA”), the Drugs Controller General of India (“DCGI”) and Central Drugs Standard Control Organization of India (“CDSCO”),

We are subject to international and national guidelines and regulations concerning development, testing, manufacturing processes, equipment and facilities, including the WHO GMP as well as the Schedule M of the Drugs and Cosmetic Act, 1940 (“Schedule M”).

Further, as we expand our operations and geographic scope, we may be exposed to more complex and new regulatory and administrative requirements and legal risks, any of which may require expertise in which we have limited experience as well as impose significant compliance costs on us.

These regulatory requirements impact many aspects of our operations, including manufacturing, developing, storage, distribution, import and export and record keeping related to our products.

Regulatory agencies may delay, limit or deny approval for many reasons, including:

- * changes to the regulatory approval process, including new data requirements for product candidates in those jurisdictions in which we or our customers may be seeking approval;
- * Drug manufacturers constantly have to monitor the efficacy and safety of their products throughout the drug life cycle which involves significant regulatory challenges. Any drug during its life cycle can be recalled for safety reasons by the drug regulators;
- * resource constraints at the agency resulting in delayed review of submitted information; and
- * the manufacturing processes, facilities, systems or personnel may not meet the applicable GMP guidelines.

Inspections by regulatory authorities that identify any deficiencies could result in remedial actions, production stoppages or facility closure, which would disrupt the manufacturing process and supply of product to our customers. In addition, such failure to comply could expose us to contractual and product liability claims, including claims by customers or recall or other corrective actions, the cost of which could be significant.

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. For example, some of the reforms mentioned in the Draft Pharma Policy, 2017 such as discontinuation of loan licensing (contract manufacturing), regulating marketing practices, banning of brand names, if implemented, will negatively disrupt the domestic pharmaceuticals industry. (Source: CRISIL Report, May 2022). In addition, in September 2018, the Ministry of Health and Family Welfare, GoI, banned over 325 fixed-dose combination drugs, following the recommendations of an expert committee, which found that the combinations lacked “therapeutic justification”. If we fail to comply with applicable regulatory requirements in the future, then we may be subject to warning letters and/or civil or criminal penalties and fines, suspension or withdrawal of regulatory approvals, product recalls, seizure of

products, restrictions on the import and export of our products, debarment, exclusion, disgorgement of profits, operating restrictions and criminal prosecution and the loss of contracts and resulting revenue losses.

27. Any adverse change in regulations governing our products and the products of our customers, may adversely impact our business prospects and results of operations.

Regulatory requirements with respect to our products and the products of our customers are subject to change. Any adverse change in the regulations governing the manufacturing of our products and their usage by our customers, and technical standards and specifications or the imposition of onerous requirements, may have an adverse impact on our operations. Our Company may be required to alter our manufacturing and/or distribution process and target markets and incur capital expenditure to achieve compliance with such new regulatory requirements applicable to us and our customers.

We cannot assure you that we will be able to comply with the regulatory requirements. If we fail to comply with new statutory or regulatory requirements, there could be a delay in the submission or grant of approval for manufacturing and marketing new products or we may be required to withdraw existing products from the market. Moreover, if we fail to comply with the various conditions attached to such approvals, licenses, registrations and permissions once received, the relevant regulatory body may suspend, curtail or revoke our ability to market such products and/or we may be deemed to be in breach of our arrangements with our customers. Consequently, there is an inherent risk that we may inadvertently fail to comply with such regulations, which could lead to forced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products, which may adversely impact our business, results of operations and financial condition.

28. The directors of our company don't have the experience of the listed company and the requirements of being a listed company may strain our resources.

The Directors of the company don't have the experience of the listed Company; however, the Promoters have the experience of the Pharmaceutical Industry. We have not been subjected to the increased scrutiny of our affairs by shareholders, regulator and the public at large that is associated with being a listed company. We will be subject to the equity listing agreement with the Stock Exchange which will require us to file audited annual and half yearly reports with respect to our business and financial condition.

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

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

29. Stricter marketing norms prescribed by a new code of conduct in India for companies doing business in the pharmaceuticals industry could affect our ability to effectively market our products which may affect our profitability

In December 2014, the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers of the Government of India announced details of the UCPMP which became effective across India from January 1, 2015. This code of conduct for marketing practices for the Indian pharmaceutical industry is expected to be voluntarily adopted by pharmaceutical companies for a period of six months (extended

by a further period of two months) after which it would be reviewed by the Government.

The UCPMP amongst other things provides detailed guidelines about promotional materials, conduct of medical representatives, physician samples, gifts and relationships with healthcare professionals. For example, under the UCPMP, pharmaceutical companies may not supply or offer any gifts, pecuniary advantages or benefits in kind to persons qualified to prescribe or supply drugs. Further, the Managing Director or the chief executive officer of the company is responsible for ensuring adherence to the UCPMP and a self-declaration is required to be submitted by the managing director or the chief executive officer within two months of the closure of every financial year to the industry association. Although these guidelines are voluntary in nature, they may be codified in the future and we may have to spend a considerable amount of time and resources to conform to the requirements of the UCPMP.

30. The regulatory uncertainty associated with pharmaceutical pricing, reimbursement and related matters could adversely affect the marketing, pricing and demand for our products.

In India, pharmaceutical prices are subject to regulation. The existence of price controls can limit the revenues we earn from our products. India enacted the National Pharmaceuticals Pricing Policy in 2012. As a result, a number of drug formulations were identified as essential drugs and were added to India's National List of Essential Medicines and these drugs are subjected to price controls in India. On May 15, 2013, the Department of Pharmaceuticals released the revised DPCO 2013 (which replaced the earlier Drugs (Prices Control) Order, 1995). The Drugs (Price Control Order) 2013 ("hereinafter referred as "The DPCO 2013" 42 governs the price control mechanism for 616 formulations listed in the National List of Essential Medicines which was set aside by the National Pharmaceutical Pricing Authority, which fixes the prices after excluding excise duty levied prior to GST regime via the notification bearing number S.O. S.O. 2058 (E) dated June 30, 2017. The ceiling prices are applicable with effect from 1.7.2017. As per the order all manufacturers of scheduled formulations, selling branded or generic or both the versions of scheduled formulations at price higher than the ceiling price (plus goods and Services Tax as applicable) so fixed and notified by the Government, shall revise the prices of all such formulations downward not exceeding the ceiling price specified in column (5) in the above table plus goods and Services tax as applicable, if any.

Under terms of the DPCO 2013 non-compliance with the notified ceiling price or breaching the ceiling price would be tantamount to overcharging the consumer under the order, and the amount charged over and above the ceiling price shall be recovered along with interest thereon from the date of overcharging. Further, non-compliance with the price notification issued by National Pharmaceutical Pricing Authority ("NPPA") could also attract prosecution of the officers of the Company under the Essential Commodities Act, 1955 including imprisonment for a term up to seven years and shall also be liable for fine. Any action against us or our management for violation of the DPCO 2013 may divert management attention and could adversely affect our business, prospects, results of operations and financial condition.

Pursuant to applicable notices, notifications and circulars issued by the DGFT, from time to time, we may also be required to comply with bar coding requirements for primary, secondary and tertiary level packaging of finished pharmaceutical products for export, provided, the importing country has not mandated a specific bar coding requirement. As the bar coding requirements mandated by the DGFT, are applicable in addition to the standard labelling requirements under the DCA and the Drug Rules, it may lead to an increase in packaging and other costs, thereby requiring us to allocate more resources and impeding our ability to operate and grow our business. Any non-compliance with the bar coding requirements as stipulated by the DGFT, could result in counterfeiting or piracy of our pharmaceutical products, thereby affecting our goodwill.

31. Any manufacturing or quality control problems may damage our reputation for high quality products and expose us to litigation or other liabilities, which could adversely affect our financial results.

Pharmaceutical manufacturers are subject to significant regulatory scrutiny. Our manufacturing facilities at Baddi must manufacture products in accordance with Good Manufacturing Practices, state level food and drug administrations and other regulatory agencies, as applicable.

Furthermore, we are liable for the quality of our products for the entire duration of the shelf life of the product. We also manufacture products on behalf of certain third parties who then market such products under their own brand. After our products reach the market, certain developments could adversely affect demand for our products, including any contamination of our products by intermediaries, re-review of products that are already marketed, new scientific information, greater scrutiny in advertising and promotion, the discovery of previously unknown side effects or the recall or loss of approval of products that we manufacture, market or sell.

Disputes over non-conformity of our products with such quality standards or specifications are generally referred to independent government approved testing laboratories. If any such independent laboratory confirms that our products do not conform to the prescribed or agreed standards and specifications, we would bear the expenses of replacing and testing such products, which could adversely affect our business, results of operations and financial condition.

We also face the risk of loss resulting from, and the adverse publicity associated with, manufacturing or quality problems. Such adverse publicity harms the brand image of our Company and products. We may be subject to claims resulting from manufacturing defects or negligence in storage and handling of our products. Any loss of our reputation or brand image, for whatsoever reason may lead to a loss of existing business contracts and adversely affect our ability to enter into additional business contracts in the future. We currently carry no products liability insurance with respect to our manufactured products.

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

The 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. Our capacity utilization is also affected by the product requirements of, and procurement practice followed by, our customers. We have made significant investments for the expansion of our manufacturing capacities and are continuing to undertake additional investments to increase our existing capacity. Our capacity utilization was 84.80%, 33.40%, 79.00%, 64.1% for tablets/ capsules, Injectables, Softgel respectively on single shift basis, during the fiscal 2024. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, or an inability to fully realize the benefits of our recently implemented capacity expansion, could materially and adversely impact our business, growth prospects and future financial performance.

33. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

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

The proposed use of issue proceeds, as detailed in the section titled “Objects of the Issue” on page 112 is to be partially and/or wholly funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule which may adversely impact the growth rate of our Company. We, therefore, cannot assure that we would be able to execute the expansion process within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability

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

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

36. The shortage or non-availability of power facilities may adversely affect our manufacturing processes and have an adverse impact on our results of operations and financial condition

Our manufacturing processes require substantial amount of power facilities. Currently, at both our manufacturing utilities we meet our power requirements by purchasing electricity from Himachal Pradesh State electricity Board. The current sanction limit provided at our Unit I is 400 kW and at Unit II is 995.00 kW.

We have also installed D.G. sets at our units to contingencies. However, the quantum and nature of power requirements of our industry and Company is such that it cannot be supplemented/ augmented by alternative/ independent sources of power supply since it involves significant capital expenditure and per unit cost of electricity produced is very high in view of oil prices and other constraints. Any disruption/non-availability of power shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company.

37. We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt.

Our significant indebtedness results in substantial amount of debt service obligations which could lead to:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- limiting our ability to borrow more money both now and in the future; and
- increasing our interest expenditure and adversely affecting our profitability.

If the loans are recalled on a short notice, we may be required to arrange for funds to fulfil the necessary requirements. The occurrence of these events may have an adverse effect on our cash flow and financial conditions of the company. For further details regarding our indebtedness, see “Statement of Financial Indebtedness” on page 320 of this Draft Red Herring Prospectus.

38. Our Promoters, members of Promoter Group and director have mortgaged their properties and provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.

Our Promoters, members of promoter group and director have mortgaged their properties and provided personal guarantees in relation to certain loan facilities availed of by us. In the event that any of these properties or guarantees are revoked by promoters, members of Promoter group or third party, the lenders for such facilities may require alternate properties as mortgages/guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative properties/guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition. Following are details of properties mortgaged and personal guarantees provided for loan facilities availed:

| Type of Facility | Name of Promoter(s) or Members of Promoter(s) Group | Charge Holder | Personal Guarantee | Properties Mortgage |
|--|--|---------------|--|--|
| (A) | (B) | (C) | (D) | (E) |
| a) Cash Credit limits b) Term Loans c) Non-fund based limits L/c | a) Mr. Uttamjit Singh b) Mr. Rajinder Kumar Raheja c) Mr. Amit Gupta d) Mr. Satyan Anand e) Mrs. Bharminder Kaur | Axis Bank Ltd | All Promoters and Family members as mentioned in (B) | Residential House #295, Sector 12-A, Panchkula, Haryana, in the name of Mrs. Meena Anand |

39. Our Company, Promoters, and Directors are involved in certain legal and regulatory proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, financial condition, cash flows and results of operations.

There are outstanding legal proceedings involving our Promoter which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert management time and attention, and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally from our Company and Promoter. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations. Certain details of such outstanding legal proceedings as of date of this Red Herring Prospectus are set out below:

(Amt in Lakhs)

| Particulars | No. of Cases | Total Amount Involved |
|--|--------------|-----------------------|
| Proceedings against our Company | Nil | NA |
| Civil | Nil | NA |
| Criminal | Nil | NA |
| Tax* | Nil | NA |

| | | |
|--|-----|----|
| Proceedings by our Company | Nil | NA |
| Civil | Nil | NA |
| Criminal | Nil | NA |
| Tax | Nil | NA |
| Proceedings against our Promoters/Directors | Nil | NA |
| Civil | Nil | NA |
| Criminal | 1 | 00 |
| Tax | Nil | NA |
| Proceedings by Promoters/Directors | Nil | NA |
| Civil | Nil | NA |
| Criminal | 1 | 00 |
| Tax | Nil | NA |

Further, there is no assurance that in future, we, our promoters, our directors or promoter group companies may not face legal proceedings and any adverse decision in such legal proceedings may impact our business. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company.

40. Our insurance coverage may not be adequate to protect us against all potential losses or may expire before the renewal to which we may be subject to, and this may have a material adverse effect on our business.

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 and other force majeure events. We maintain insurance coverage for anticipated risks which are standard for our type of business and operations

While we maintain insurance coverage in amounts that we believe are consistent with industry norms and would be adequate to cover the normal risks associated with the operation of our business, our insurance policies do not cover all risks and are subject to exclusions and deductibles. In particular, we do not have insurance coverage for liabilities and expenses arising from product recalls. In addition, we cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or at all, or on time, or that we have taken out sufficient insurance to cover all our potential losses.

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

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

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

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

Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

43. The Shortage or non-availability of water facilities may adversely affect our manufacturing processes and have an adverse impact on our results of operations and financial condition.

Our manufacturing facilities requires substantial amount of water facilities for manufacturing process. We meet our water requirements from borewell. The quantum and nature of water requirements of our industry is significant and requires continuous supply. Any disruption/non availability of water shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company.

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

Our Promoters, Directors and KMPs may be deemed to be interested in our Company, in addition to normal remuneration or benefits and reimbursements of expenses, to the extent of Equity Shares or other securities, held by them and their relatives (if any) and their dividend or bonus entitlement, and benefits arising from their directorship in our Company and are also interested to the extent of sitting fee payable to them for attending each of our Board and Committee Meetings. For the payments that are made by our Company to related parties including remuneration to our Directors and our Key Managerial Personnel, see “Summary of Offer document” and “Restated Financial Information” on page 22 and 258, respectively. We cannot assure you that our Promoters, Directors and Key Managerial Personnel will exercise their rights to the benefit and best interest of our Company.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations financial condition, cash requirements, business prospects and any other financing arrangements.

Additionally, we may not be permitted to declare any dividends under the loan financing arrangement that our Company may enter into future, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof.

Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details regarding our dividend policy, please see—Dividend Policy on page no. 257 of this Draft Red Herring Prospectus.

46. Obsolescence, destruction, theft, breakdowns of our major plants or machineries or failures to repair or maintain the same may affect our business, cash flows, financial condition and results of operations.

Obsolescence, destruction, theft or breakdowns of our major plants or machineries may significantly increase our machineries purchase cost and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all, particularly where our plants or machineries are not readily available from the market or require services from original machinery manufacturers. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability.

47. Our company is still in the process of compiling information with respect to Total Outstanding Due to MSME Creditors.

As on the date of filing of this Draft Prospectus, our Company is still in the process of compiling information with respect to Total Outstanding Due to MSME Creditors. Further, details pertaining to amounts due towards our creditors are not available on the website of our Company. Our inability to accurately forecast the total number of MSME Creditors and total amount due to them could adversely affect our business operations and cash flows if any litigation or penal obligation raised by authorities.

48. Certain information contained in this Draft Red Herring Prospectus is based on management estimates and we cannot assure you of the completeness or accuracy of the data.

The fund requirement and deployment, as mentioned in the “Objects of the Issue” on page 112 of this Draft Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan, current trade cycle. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements may increase. The estimated project dates as well as costs may change depending on the circumstances like changes in laws and regulations, competition, irregularities or claims with respect to title of land, the ability of third parties to complete their services, delays, cost overruns or modifications to our ongoing and planned projects. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings. Such circumstances can have an impact on our financial condition and results of operation.

49. We cannot assure you that our equity shares will be listed on the NSE Emerge in a timely manner or at all, which may restrict your ability to dispose of the equity shares.

Though we shall make best of our efforts to comply with all applicable regulatory, financial and operational requirements for getting the equity shares proposed to be offered through this Draft Red Herring Prospectus listed on NSE emerge platform in a time bound manner, yet on account of any change in applicable laws, economic conditions and/or any other reason/s beyond our control, the said shares may not get listed on the Emerge platform of NSE Limited in a timely manner or at all, which may restrict your ability to dispose of the equity shares. However, even in such circumstances, the company shall stay fully committed to pay such interest and/or refund the full application amount, as may be required in accordance with the applicable regulatory directives.

50. We may not be successful in implementing our business strategies.

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or

that we will be able to meet the expectations of our targeted consumers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

51. Any future acquisitions, joint ventures, partnerships, strategic alliances, tie-ups or investments could fail to achieve expected synergies and may disrupt our business and harm the results of operations and our financial condition.

Our success will depend, in part, on our ability to expand our business in response to changing technologies, customer demands and competitive pressures. We have, in the past, explored and continue to explore opportunities on our own, through collaborations, tie-ups, strategic alliances, partnerships or joint venture across the country and regions of focus. In some circumstances, we may also decide to acquire, or invest in, complementary technologies instead of internal development. While we are currently evaluating opportunities and negotiating with several potential partners, we have not entered into any definitive agreements. The risks we face in connection with acquisitions may include integration of product and service offerings, co-ordination of R&D and marketing functions and the diversion of management's time and focus from operating our business to addressing challenges pertaining to acquisition and integration. Our failure to address these risks or other problems encountered in connection with our acquisitions and investments could result in our failure to realize the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally.

52. We are dependent on third party R&D activities for our 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 intend to diversify from manufacture batches of both small and large pharmaceutical formulation of already commercialized products for multiple clients to development of pharma intermediaries either for molecules which are under clinical trials; or for molecules which have been launched in the generic space.

We intend to invest funds and other resources towards our R&D activities to be carried in the leased laboratory. While we have to do 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 success of our new generic product offerings will depend on several factors, including our ability to properly anticipate customer needs and preferences; obtain timely regulatory approvals; establish collaborations with suppliers and customers; customize our production capacities, develop and manufacture our products in a timely and cost-effective manner; and successfully market and sell our products. In addition, the development and commercialisation of new products is characterised by significant upfront costs, including costs relating to product development activities, obtaining regulatory approvals, building inventory and sales and marketing. Our planned investments in these R&D facilities and equipment for future expansion could result in higher costs, especially in the event of cost overruns, without a proportionate increase in revenues.

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. Further, as part of our business strategies, we intend to further diversify our product portfolio by entering into new product value chains. In addition, we intend to expand our capacities in existing products as well as expanding and strengthening our research capabilities in order to ensure continued product innovation. Innovation continues to be the key determinant for our success. The development and commercialisation of new products (whether ours or our customers' products) are complex, time-

consuming, costly 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.

53. The nature of our business exposes us to liability claims and contract disputes and our indemnities may not adequately protect us. Any liability in excess of our reserves or indemnities could result in additional costs, which would reduce our profits.

Time is often of the essence in our business work. In the event there are delays in our current or future service, we will not be able to get extensions from our customers. Further, in some contracts, in case of delay due to deficiency in services by us, clients may have the right to complete the work at our risk and cost by engaging a third party. In the event we fail to perform under the terms of a particular contract, that could adversely affect our financial conditions and business operations. Failure to effectively cover ourselves against any of these reasons could expose us to substantial costs and potentially lead to material losses. In addition, if there is a customer dispute regarding our performance or workmanship, the customer may delay or withhold payment to us.

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

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

55. Changes in future technology(ies) may affect our business by making our manufacturing facilities or equipment less competitive or require us to make substantial capital investments.

Our profitability and competitiveness are to a certain extent dependent on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. Changes in future technology(ies) may make newer generation manufacturing equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our manufacturing facilities to meet future technology(ies). Our inability to continue to invest in new and more advanced technologies and equipment, may result in our inability to respond to emerging industry standards and practices in a cost-effective and timely manner that is competitive with other companies. The development and implementation of such technology entails technical and business risks. We cannot assure you that we will be able to successfully implement future technologies or adapt our processing systems to emerging industry standards. If we are unable to adapt in a timely manner to changing market conditions or technological changes, our business and financial performance could be adversely affected.

Further modernization and technology upgradation is essential to provide better products. Although we strive to keep our technology in line with the latest standards, we may be required to implement new technology or upgrade the existing employed by us. Further, the costs in upgrading our technology could be significant which could substantially affect our finances and operations.

56. Compliance with, and changes in safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations.

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. We are also subject to environmental, health and safety laws including but not limited to:

- a. The Drugs and Cosmetics Act, 1940 (“DCA”)
- c. The Drugs (Price Control) Order, 2013 (“DPCO 2013”)
- e. Food Safety and Standard Act, 2006
- g. Good Manufacturing Practice Guidelines (GMP)
- h. Water (Prevention and Control of Pollution) Act, 1974

Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings being initiated against us, third party claims or the levy of regulatory fines, which may adversely affect our business, results of operations and financial condition. Further amendments to such statutes may impose additional provisions to be followed by our Company and accordingly our Company may need to avoid use of certain ingredients in preparation of our products, discontinue any range of product, incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, which could adversely affect our business, prospects, financial condition and results of operations.

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

The issue price of the equity shares has been based on many factors and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled “Basis for Issue Price” beginning on page 124 of the Draft Red Herring Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

58. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.

We propose to utilize the Net Proceeds towards utilization for the working capital requirement and General Corporate Purposes of our Company. For further details of the proposed objects of the Issue, see Chapter titled as “Objects of the Issue” beginning on page 112. However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition, if any, which may adversely affect our business and results of operations.

59. We have not identified any alternate source of raising the funds required for the object of the Issue and the deployment of funds is entirely at our discretion and as per the details mentioned in the section titled “Objects of the Issue”.

Our Company has not identified any alternate source of funding for our object of the Issue and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds or may result in borrowing funds on unfavourable terms, both of which scenarios may affect the business operation and financial performance of the company. Further the deployment of the funds raised in the issue will be entirely at the discretion of the management and any revision in the estimates may require us to reschedule our projected expenditure and may have a bearing on our expected revenues and earnings. For further details of Please refer chapter titled “Object for the Issue” beginning on page 112 of this Draft Red Herring Prospectus.

60. Any future sale of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.

Any future sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

61. Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the Trading price of the Equity Shares, if any.

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

62. Industry information included in this Draft Red Herring Prospectus has been derived from industry reports commissioned by us for such purpose. There can be no assurance that such third-party statistical financial and other industry information is either complete or accurate.

None of the Company, the Book Running Lead Manager or any other person connected with the Issue has independently verified the third party statistical and financial data in this Draft Red Herring Prospectus which has been sourced from various public and private publications. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates. There is no assurance that such information obtained from third party sources and publications will be current or reflect current trends. Further, such industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect.

Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red herring Prospectus.

63. Any failure of our information systems, such as from data corruption, cyber-based attacks or network security breaches, could have a material adverse effect on our business and results of operations.

We depend extensively on the capacity and reliability of the quality assurance, quality control, product development and information technology systems supporting our operations, particularly the systems which help us undertake advanced data analytics and track stock keeping unit level profitability. We rely on information systems in our business to obtain, rapidly process, analyze and manage data.

Our systems are subject to damage or incapacitation by natural disasters, human error, power loss, sabotage, computer viruses, hacking, acts of terrorism and similar events or the loss of support services from third parties. Any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption may affect our ability to plan, track, record and analyse work in progress and sales, process financial information, manage product lifecycle, payables and inventory or otherwise conduct our normal business operations.

Security breaches of our infrastructure can create system disruptions, shutdowns or unauthorized disclosure of confidential information. If we are unable to prevent such breaches, our operations could be disrupted, or we may suffer financial damage or loss because of lost or misappropriated information. We cannot be certain that advances in criminal capabilities, new discoveries in the field of cryptography or other developments will not compromise or breach the technology protecting the networks that access our products and services. If these systems are interrupted, damaged by unforeseen events or fail for any extended period of time, including due to the actions of third parties, then we may not be able to effectively manage our business, and this could have a material adverse effect on our results of operations.

64. Our lenders have charge over the company’s movable and immovable properties in respect of finance availed by us, if any.

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our movable and immovable properties. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be subject to forfeiture by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations.

Following the details of open charges held by lenders:

| S. No. | Details of Charge Created | Short particulars of property charged charge |
|---------------|----------------------------------|--|
| 1 | Primary | Hypothecation of entire Current Assets, both present and future, on exclusive basis |
| | | <u>For Term Loan</u> Hypothecation of Movable Fixed Assets (excluding vehicles), both present and future |
| 2 | Collateral | Equitable Mortgage of Industrial Property located at Hilltop Estate, Vill Bhatoli Lalan, Baddi, Distt Solan, admeasuring 4 bigha and 6 biswa standing in the name of Amster Labs |
| | | Extension of Hypothecation of Movable Fixed Assets (excluding Vehicles), both present and future, on exclusive basis |
| | | Equitable Mortgage of Residential Property situated at House no. 295, Sector – 12A, Panchkula, Haryana -134109 in the name of Mrs. Meena Anand |

65. Orders placed by customers may be delayed, modified, cancelled, or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations.

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such products or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customer's discretion or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed.

Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. Our trade receivable as on March 31, 2024 stood at Rs. 4972.03 Lakhs. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default with regard to the orders placed with us, or disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. For further details of our business, please refer chapter titled "Business Overview" beginning on page 165 of this Draft Red Herring Prospectus.

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

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. No assurance may be given that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our significant shareholders, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that we will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

Further, if such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

67. Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.

The results of operations of our business are dependent on our ability to effectively manage our inventory. Our inventory levels of our finished goods as on March 31, 2024 were Rs. 2907.91 lakhs. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and plan our purchases accordingly. If our management fails to estimate the expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory which could affect the cost. We estimate our sales based on the demand and requirements and also on the customer specifications. Further, any disruptions to the delivery of materials may occur for reasons such as poor handling, transportation bottlenecks or labour strikes, which could lead to delayed or lost deliveries or damaged products and disrupt our supply of these products. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively. If we overstock inventory, our capital requirements will increase and we will incur additional

financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planning and actual consumer demand could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation. For further details of our business, please refer chapter titled “Business Overview” beginning on page 165 of this Draft Red Herring Prospectus.

68. We are subject to quality requirements and strict technical specifications by our customers. Our failure to comply with the quality standards and technical specifications prescribed by such customers may lead to loss of business from such customers and could negatively impact our reputation, which would have an adverse impact on our business prospects and results of operations.

Our customers maintain strict quality standards. Our products go through various quality checks at various stages at our manufacturing facilities. Failure of our products to meet the quality standards expected by our customers may result in rejection and reworking of our products. This may result in our customers cancelling present or future purchases of our products.

Further, we may also be subject to the liability claims being initiated against us by our customers. We do not have any product liability insurance to protect us against such claims and any liability incurred pursuant to such claims is required to be funded by the Company. While we have put in place quality control procedures, we cannot assure that our products will always be able to achieve the quality standards expected by our customers. Our quality control procedures may fail to test for all possible conditions of use or identify all defects in the manufacturing of our products. Further, any lapses in quality may impact our long-term relationships with customers, which is one of our key strengths. Any failure on our part to successfully maintain quality standards for our products may affect our customer relationships, which may adversely affect our business and results of operations.

69. Our Company has during the preceding one year from the date of the Draft Red Herring Prospectus have allotted Equity Shares at a price which is lower than the Issue Price.

In the last 12 months, we have made allotment of Equity Shares to our promoters and promoter group, which is lower than the Issue Price. For further details relating to number of shares issued, date of allotment etc. please refer to section titled “Capital Structure” on page 95 of this Draft Red Herring Prospectus. The Issue Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares.

70. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder’s ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Following the Issue, we will be subject to a daily circuit breaker imposed by NSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

71. An inability or delay in launching new generic pharmaceutical products if innovator pharmaceutical companies are successful in limiting the use of generics through their legislative, regulatory and other efforts, including patent extensions, may adversely affect our business, results of operations and financial condition.

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 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, prospects, results of operations, and financial condition may be adversely affected.

72. We continue to explore the diversification of our business and the implementation of new products. These diversifications and our other strategic initiatives may not be successful, which may adversely affect our business and results of operations.

In order to achieve our goal, we are constantly evaluating the possibilities of expanding our business through new models, innovations and/or starting new products. Although we believe that there are synergies between our current business and our expansion plans, we do have experience or expertise in these new areas. These new businesses and modes of delivery and the implementation of our strategic initiatives may pose significant challenges to our administrative, financial and operational resources, and additional risks, including some of which we are not aware of. The early stages and evolving nature of some of our businesses also make it difficult to predict competition and consumer demand therein. Our strategic initiatives require capital and other resources, as well as management attention, which could place a burden on our resources and abilities. In addition, we cannot assure you that we will be successful in implementing any or all of our key strategic initiatives. If we are unable to successfully implement some or all of our key strategic initiatives in an effective and timely manner, or at all, our ability to maintain and improve our leading market position may be negatively impacted, which may have an adverse effect on our business and prospects, competitiveness, market position, brand name, financial condition and results of operations.

73. The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could affect our business, financial condition, cash flows and results of operations

The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could affect our business, financial condition, cash flows and results of operations. For instance, the COVID-19 pandemic has affected and may continue to affect our business, financial condition, results of operations and cash flows in a number of ways such as:

- We may be required to quarantine employees that are suspected of being infected with COVID-19 as well as other employees that have been in contact with those employees, and our employees may be restricted by travel and other lockdown measures imposed in India and overseas where they are located. This could result in a temporary reduction in the numbers of personnel or delays and suspension of operations in our sales force and/or R&D teams, and/or temporary shut downs of our manufacturing facilities as a health measure, which could have an adverse effect on our business operations or result in a delay in the production and supply of products to our customers in a timely manner;

- If any of our suppliers are affected by COVID-19, to the extent our supply chain is disrupted, our ability to meet the demand of our customers may be affected. For example, during the onset of COVID-19, port and airport closures around the world resulted in disruptions in international freight shipments of raw materials to us and of our products to our customers. During this time, we also faced logistical challenges in India due to the restrictions on the movement of people and goods. As a result, we experienced delays in our manufacturing and product delivery timelines, and had to adjust our arrangements with our customers and suppliers accordingly;

- Social distancing measures and restrictions may result in lower demand for discretionary medicines

where medical clinics are shut down and elective surgeries are postponed or if we are unable to meet with doctors to market and promote our products; and

•Increased risks emanating from process changes being implemented, such as technology, oversight and productivity challenges due to an increase in number of individuals working from home.

Any intensification of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our business, financial condition, results of operations and cash flows.

EXTERNAL RISK FACTORS:

1. Any changes in regulations or their implementation or applicable government incentives could adversely affect the Company's operations and growth prospects.

Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

3. Natural 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 earthquakes), epidemics, pandemics such as COVID-19, 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.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. Certain countries in Southeast Asia have reported cases of bird-to-human transmission of avian and swine influenza, resulting in numerous human deaths. A worsening of the current outbreak

of COVID-19 virus or future outbreaks of COVID-19 virus, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region. As a result, any present or future outbreak of avian or swine influenza or other contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

4. Political, economic, or other factors that are beyond our control may have an adverse effect on our business and results of operations.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in India as well as other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, 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.

In addition to the above, our Company is incorporated in India and its assets are located in India. Consequently, our performance and the market price of the Equity Shares may be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

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

- a. the macroeconomic climate, including any increase in Indian interest rates or inflation;
- b. any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- c. any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- d. prevailing income conditions among Indian consumers and Indian corporations;
- e. epidemic, pandemic or any other public health in India or in countries in the region or globally, including in India's various neighbouring countries, such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID- 19 pandemic;
- f. volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- g. occurrence of natural or man-made disasters (such as typhoons, flooding, earthquakes and fires) which may cause us to suspend our operations;
- h. prevailing regional or global economic conditions, including in India's principal export markets;
- i. other significant regulatory or economic developments in or affecting India or its consumption sector;
- j. international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- k. protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- l. logistical and communications challenges;
- m. downgrading of India's sovereign debt rating by rating agencies;
- n. difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis; and,
- o. being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown due to these factors could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

5. Any changes in the regulatory framework could adversely affect our operations and growth prospects.

Our Company is subject to various regulations and policies. For details see section titled “Key Industry Regulations” beginning on page no. 209 of this Draft Red Herring Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

6. Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance.

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

7. We are subject to risks arising from interest rate fluctuations, which could adversely impact our business, financial condition and operating results.

The Company may enter into certain borrowing arrangements to finance its capital requirements in the ordinary course of business in connection with potential acquisitions or for general working capital purposes. Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase. This may negatively impact our results of operations, planned capital expenditures and cash flows.

8. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse impact on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Further, with the Introduction of the Goods and Services Act, tax rates and its implication may have material impact on raw materials or on our Products. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

9. The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.

Prior to this Issue, there has been no public market for our Equity Shares. Our Company and the Book Running Lead Manager has appointed [●] as Designated Market Maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India’s fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

10. You will not be able to sell immediately on Indian Stock Exchanges any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Draft Red Herring Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

11. The requirements of being a public listed company may strain our resources and impose additional requirements.

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange could lead to imposition of huge penalties, if any including suspension of trading, imposed by Stock Exchange.

12. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. The sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia) have also added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation.

These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

13. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements, prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus.

As stated in the reports of the Auditor included in this Draft Red Herring Prospectus under chapter “Financial Statements as Restated” beginning on page 258 the financial statements included in this Draft Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Draft Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

14. We require certain approvals, licenses, registrations and permits to operate our business, and failure to obtain or renew them in a timely manner or maintain the statutory and regulatory permits and approvals required to operate our business may adversely affect our operations and financial conditions.

Our business is subject to government regulations and we require certain approvals, licenses, registrations and permissions for operating our business, some of which have been applied for till date but not received, like Consent to operate for our manufacturing facilities or Factory License for Unit II or some of which may have expired and for which we may have either made or are in the process of making an application for obtaining the approval or its renewal. In addition, we may not be in compliance with certain conditions prescribed by such approvals or licenses. Our failure to obtain such licenses and approvals and comply with the applicable laws and regulations could lead to imposition of sanctions by the relevant authorities, including penalties. For further details, see “Government and Other Approvals” beginning on page 327 of this Draft Red Herring Prospectus. Further, fresh and renewal applications for approvals, licenses, registrations and permissions for operating our business need to be made within certain timeframes. While we have made fresh applications for few approvals and licenses, we cannot assure you that we will receive these approvals in a timely manner or at all. Further, in future we will be required to apply for the renewal of approvals and permits for our business operations to continue. If we are unable to make applications and renew or obtain necessary permits, licenses and approvals on acceptable terms, in a timely manner or at all, we may be required to shut down or relocate our offices or warehouses and face other consequences due to which our business operations may be adversely affected. **For further details, see “Government and other Statutory Approval” on page 327 of this Prospectus.**

15. We face foreign exchange risks that could adversely affect our results of operations and cash flows.

Our company also export its service, therefore we are exposed to foreign currency fluctuation risk. Although, we closely follow our exposure to foreign currencies by entering into forward contracts to hedge our exposure in an attempt to reduce the risks of currency fluctuations, our results of operations, cash flows and financial performance could be adversely affected in case these currencies fluctuate

significantly. We may from time to time be required to make provisions for foreign exchange differences in accordance with accounting standards. While we enter into hedging transactions to minimize our foreign currency exchange risks, there can be no assurance that such measures will enable us to manage our foreign currency risks which may adversely affect our results of operations.

16. Increasing employee compensation in India may erode some of our competitive advantage and may reduce our profit margins, which may have a material adverse effect on our business, financial condition, cash flows and results of operations.

Employee compensation in India has historically been significantly lower than employee compensation in the United States and Western Europe for comparably skilled professionals, which has been one of our competitive strengths. However, compensation increases in India may erode some of this competitive advantage and may negatively affect our profit margins. Employee compensation in India is increasing at a faster rate than in the United States and Western Europe, which could result in increased costs relating to scientists and engineers, managers and other mid-level professionals. We may need to continue to increase the levels of our employee compensation to remain competitive and manage attrition. Compensation increases may have a material adverse effect on our business, financial condition, cash flows and results of operations.

RISKS RELATED TO THE OFFER:

1. After the Offer, the price of the Equity Shares may become highly volatile, or an active trading market for the Equity Shares may not develop.

The price of the Equity Shares may fluctuate after the Offer as a result of several factors, including: volatility in the Indian and global securities market; our operations and performance; performance of our competitors; adverse media reports about us or the industry we operate in generally; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalization and deregulation policies; and significant developments in India's fiscal regulations. There has been no public market for the Equity Shares of our Company and the price of the Equity Shares may fluctuate after the Offer.

If the stock price of the Equity Shares fluctuates after the Offer, investors could lose a significant part of their investment. As of the date of this Draft Red Herring Prospectus, there is no market for the Equity Shares. Following the Offer, the Equity Shares are expected to trade on the Stock Exchanges. There can be no assurance that active trading in the Equity Shares will develop after the Offer or, if such trading develops, that it will continue. Investors might not be able to sell the Equity Shares rapidly at the quoted price if there is no active trading in the Equity Shares.

As a result of these factors, investors may not be able to resell their Equity Shares at or above the initial public offering price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Offer Price.

2. 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, 2013 a company incorporated in India 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 law of the jurisdiction that you 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, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

3. You will not be able to sell immediately on Indian Stock Exchanges any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading on stock exchange. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Draft Red Herring Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, if the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

4. Our operations are subject to environmental, health and safety laws and regulations.

Our operations are subject to various Central and State environmental laws and regulations relating to the control of pollution in the various locations in India where we operate. In particular, the discharge or emission of chemicals, dust or other pollutants into the air, soil or water that exceed permitted levels and cause damage to others may give rise to liability to the Government and third parties, and may result in our incurring costs to remedy such discharge or emissions. There can be no assurance that compliance with such environmental laws and regulations will not result in a curtailment of operations, or a material increase in the costs of operations, or otherwise have a material adverse effect on the financial condition and results of our operations. Environmental laws and regulations in India have been increasing in stringency and it is possible that they will become significantly more stringent in the future. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations, may impose new liabilities on us or result in the need for additional investment in pollution control equipment, either of which could adversely affect our business, financial condition or prospects. While as of the date of this Draft Red Herring Prospectus, we are not subject to any environmental legal proceedings, we may be impleaded in such legal proceedings in the course of our business. Such legal proceedings could divert management time and attention, and consume financial resources in Defence or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects. No assurance can be given that we will be successful in all, or any, of such proceedings.

5. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse impact on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Further, with the Introduction of the Goods and Services Act, tax rates and its implication may have material impact on our products. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian Company are generally taxable in India. Any gain on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain on the sale of shares held for more than 12 months

to an Indian resident, which are sold other than on a stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India. Investors are advised to consult with their tax experts for relevant provisions of Income tax Act, 1961 and rules with notifications incidental thereto.

7. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares. Accordingly, our ability to raise foreign capital may be constrained.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Furthermore, under applicable foreign exchange regulations in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified under applicable law. If a transfer of shares is not in compliance with such requirements and does not fall under any of the permissible exceptions, then prior approval of the relevant regulatory authority is required. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness.

Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Furthermore, this conversion is subject to the shares having been held on a repatriation basis and, either the security having been sold in compliance with the pricing guidelines or, the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. We cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

8. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and our industry contained in this Draft Red Herring Prospectus.

While facts and other statistics in this Draft Red Herring Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled “Our Industry” beginning on page 137 of this Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

9. Any downgrading of India’s sovereign rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other

commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

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

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

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SECTION IV- INTRODUCTION THE ISSUE

THE ISSUE

| Particulars | Details of Number of Shares |
|---|--|
| Issue of Equity Shares by our Company | 53,08,800 Equity Shares of face value Rs.10/- each fully paid-up for cash at price of Rs. [•] per Equity Share aggregating to Rs. [•] |
| Of which: | |
| Reserved for Market Makers [^] | [•] Equity Shares of face value Rs.10/- each fully paid-up for cash at price of Rs. [•] per Equity Share aggregating to Rs. [•] |
| Net Issue to the Public [^] | [•] Equity Shares of face value Rs.10/- each fully paid-up for cash at price of Rs. [•] per Equity Share aggregating to Rs. [•] |
| Of which: | |
| A. QIB portion ** | Not more than [•] Equity Shares |
| Of Which | |
| (i) Anchor Investor Portion | Upto [•] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [•] /- per Equity Share aggregating to Rs. [•] Lakhs |
| (ii) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed) | Upto [•] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [•] /- per Equity Share aggregating to Rs. [•] Lakhs |
| Of which | |
| a. Available for allocation to Mutual Funds only (5% of the Net QIB Portion) | Upto [•] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [•] /- per Equity Share aggregating to Rs. [•] Lakhs |
| b. Balance of QIB Portion for all QIBs including Mutual Funds | Upto [•] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [•] /- per Equity Share aggregating to Rs. [•] Lakhs |
| B. Non – institutional portion ** | Not Less than [•] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [•] /- per Equity Share aggregating to Rs. [•] Lakhs |
| C. Retail Investors Portion** [^] | Not Less than [•] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [•] /- per Equity Share aggregating to Rs. [•] Lakhs |
| Pre-and Post-Issue Equity Shares: | |
| Equity Shares outstanding prior to the Issue | 1,48,37,603 Equity Shares of face value Rs.10/- each |
| Equity Shares outstanding after the Issue | 2,01,46,403 Equity Shares of face value Rs.10/- each |
| Use of Proceeds | For further details please refer chapter titled “Objects of the Issue” beginning on page no. 112 of this Draft Prospectus for information on use of Issue Proceeds |

[^]Subject to finalisation of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of issue price.

**As per the Regulation 253 of the SEBI (ICDR) Regulations, 2018, as amended, as present issue is made through book building process, the allocation is the net offer to the public category shall be made as follows:

- Not less than Thirty five percent to retail individual investor;
- Not less than Fifteen percent to non-institutional investor
- Not more than fifty percent to qualified institutional buyers, five percent of which shall be allocated to mutual

funds.

Our Company, in consultation with the BRLM, may 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 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 Portions 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 Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Issue Procedure” on page 354.

Subject to valid applications being received, under-subscription, if any, in the Retail and Non-Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the LM and the NSE.

Notes

- 1. The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The issue is being made by our company in terms of Regulation 229 (2) of SEBI (ICDR) Regulation, read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post issued paid-up equity share capital of our company are being offered to the public for subscription.*
- 2. The Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on August 01, 2024 and by our Shareholders pursuant to a resolution passed at the EGM held on September 10, 2024. This Issue is made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section titled “Issue Structure” beginning on page no. 391 of this Draft Prospectus.*

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SUMMARY OF OUR FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Information for the period ended March 31, 2024 and December 31, 2023 and for the financial year ended March 31, 2023 and March 31, 2022.

The Restated Financial Information referred to above is presented under “Restated Financial Information” beginning on page no. 258. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page no. 310.

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SUMMARY OF FINANCIAL INFORMATION

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

| Particulars | | Note No. | As at 31 March 2024 | As at 31 December 2023 | As at 31 March, 2023 | As at 31 March, 2022 |
|-------------|---|----------|---------------------|------------------------|----------------------|----------------------|
| I | EQUITY AND LIABILITIES | | | | | |
| | Shareholders' Funds | | | | | |
| | (a) Equity Share Capital | I.1 | 742.51 | 600.00 | 341.60 | 341.60 |
| | (b) Reserves and Surplus | I.2 | 912.41 | 0.00 | 835.90 | 602.87 |
| | Non-Current Liabilities | | | | | |
| | (a) Long-Term Borrowings | I.3 | 853.37 | 903.69 | 725.19 | 1,008.96 |
| | (b) Other Long-Term Liabilities | I.4 | 17.00 | 17.00 | 39.00 | 24.00 |
| | (c) Deferred Tax Liabilities (net) | I.5 | 106.81 | 141.83 | 162.50 | 103.02 |
| | (d) Long-Term Provisions | I.6 | 32.65 | 25.81 | 22.22 | 15.48 |
| | Current liabilities | | | | | |
| | (a) Short-Term Borrowings | I.7 | 3,145.28 | 3,349.39 | 2,163.02 | 1,480.04 |
| | (b) Trade Payables | I.8 | | | | |
| | (i) total outstanding dues of micro enterprises and small enterprises | | - | - | - | - |
| | (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | 4,069.98 | 4,148.96 | 2,970.27 | 3,141.66 |
| | (c) Other Current Liabilities | I.9 | 928.19 | 363.79 | 234.51 | 172.24 |
| | (d) Short-Term Provisions | I.10 | 255.02 | 195.34 | 43.49 | 15.18 |
| | TOTAL | | 11,063.22 | 9,745.81 | 7,537.70 | 6,905.04 |
| II | ASSETS | | | | | |
| | Non-current assets | | | | | |
| | (a) Property, Plant and Equipment and Intangible assets | | | | | |
| | (i) Property, Plant and Equipment | I.11 | 2,194.22 | 2,147.71 | 1,961.66 | 1,842.24 |
| | (ii) Intangible Assets | I.12 | 1.94 | 2.04 | 0.44 | 0.78 |
| | (iii) Capital Work in Progress | - | 320.48 | - | - | - |
| | (b) Non Current Investments | - | - | - | - | - |
| | (c) Long Term Loans and Advances | - | - | - | - | - |
| | (d) Other Non Current Assets | I.13 | 42.05 | 36.88 | 23.16 | 42.96 |
| | Current assets | | | | | |

| | | | | | |
|-----------------------------------|------|------------------|-----------------|-----------------|-----------------|
| (a) Inventories | I.14 | 2,907.51 | 2,710.36 | 1,986.57 | 1,180.28 |
| (b) Trade Receivables | I.15 | 4,972.03 | 4,412.52 | 3,186.67 | 3,222.88 |
| (c) Cash and Bank Balances | I.16 | 204.52 | 41.01 | 89.04 | 49.67 |
| (d) Short-Term Loans and Advances | I.17 | 104.25 | 111.90 | 62.94 | 37.23 |
| (e) Other Current Assets | I.18 | 316.22 | 283.39 | 227.24 | 529.01 |
| TOTAL | | 11,063.22 | 9,745.81 | 7,537.70 | 6,905.04 |

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RESTATED STATEMENT OF PROFIT AND LOSS

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

| Particulars | | Note No. | For the period ended 31 March 2024 | For the period ended 31 December 2023 | For the period ended 31 March, 2023 | For the period ended 31 March, 2022 |
|-------------|---|----------|------------------------------------|---------------------------------------|-------------------------------------|-------------------------------------|
| I | Revenue from Operations | II.1 | 3,531.90 | 8,262.68 | 10,526.21 | 9,649.39 |
| II | Other Income | II.2 | 18.36 | 7.83 | 2.34 | 47.92 |
| III | Total Income (I + II) | | 3,550.26 | 8,270.51 | 10,528.55 | 9,697.31 |
| IV | Expenses | | | | | |
| | (a) Cost of Material Consumed | II.3 | 2,153.42 | 6,587.33 | 8,096.26 | 7,702.84 |
| | (b) Purchases of Stock-in-Trade | - | - | - | - | - |
| | "(c) Changes in Inventories of Finished Goods, work in Progress and Stock in Trade" | II.4 | (32.79) | (547.58) | (96.72) | 9.67 |
| | (d) Employee Benefits Expenses | II.5 | 381.55 | 911.92 | 1,154.39 | 895.00 |
| | (e) Finance Costs | II.6 | 81.71 | 230.50 | 245.44 | 166.53 |
| | (f) Depreciation and Amortisation Expenses | II.7 | 40.99 | 120.81 | 143.33 | 120.79 |
| | (g) Other Expenses | II.8 | 203.50 | 440.17 | 608.18 | 612.14 |
| | Total Expenses | | 2,828.37 | 7,743.16 | 10,150.88 | 9,506.97 |
| V | | | | | | |
| VI | Profit before exceptional and extraordinary items and tax (III - IV) | | 721.89 | 527.35 | 377.67 | 190.35 |
| VII | Exceptional Items (Net Income) | - | - | - | - | - |
| VIII | Profit Before Extraordinary Items And Tax (Iv-V) | | 721.89 | 527.35 | 377.67 | 190.35 |
| VII | Extraordinary Items | - | - | - | - | - |
| VIII | Profit Before Tax (V + VI) | | 721.89 | 527.35 | 377.67 | 190.35 |
| | Tax Expense: | | | | | |
| | (a) Current Tax | | 176.98 | 206.72 | 75.15 | 42.28 |
| | (b) Mat Credit Entitlement | | - | - | - | - |
| | (c) Mat Credit Utilized | | - | - | - | - |
| | (d) Deferred Tax | | (35.01) | (20.67) | 59.48 | 25.30 |

| | | | | | | |
|-----------|--|------|---------------|---------------|---------------|---------------|
| IX | Total Tax Expense | | 141.97 | 186.05 | 134.63 | 67.58 |
| | Profit After Tax (VII - VIII) | | 579.92 | 341.30 | 243.04 | 122.76 |
| X | | | | | | |
| | Earnings Per Share (of Rs. 10 each): | | | | | |
| | (a) Basic (Rs) | II.9 | 9.42 | 5.69 | 7.11 | 3.59 |
| | (b) Diluted (Rs) | II.9 | 9.42 | 5.69 | 7.11 | 3.59 |

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RESTATED STATEMENT OF CASH FLOWS

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

| Particulars | For the period ended 31 March 2024 | For the period ended 31 December 2023 | For the period ended 31 March, 2023 | For the period ended 31 March, 2022 |
|---|------------------------------------|---------------------------------------|-------------------------------------|-------------------------------------|
| Profit before tax and exceptional Items | 721.89 | 527.35 | 377.67 | 190.35 |
| Adjustments for: | | | | |
| Depreciation & amortization expense | 40.99 | 120.81 | 143.33 | 120.79 |
| Interest expense on borrowings | 75.12 | 213.28 | 236.12 | 157.93 |
| Interest income | (18.36) | (7.83) | (2.34) | (47.92) |
| Operating Profit before working capital changes | 819.64 | 853.62 | 754.78 | 421.15 |
| Changes in operating assets and liabilities: | | | | |
| Increase/(decrease) in trade payables | (78.98) | 1,178.69 | (171.38) | 1,350.31 |
| Increase/(decrease) in other current liabilities | 347.10 | 16.40 | (28.14) | (6.77) |
| Increase/(decrease) in other non current liabilities | 6.84 | (18.41) | 21.75 | 19.03 |
| Decrease/(increase) in loans and advances | 7.65 | (48.96) | (25.71) | 2.68 |
| Decrease/(increase) in trade receivables | (559.50) | (1,225.85) | 36.21 | (1,331.73) |
| Decrease/(increase) in inventories | (197.15) | (723.79) | (806.29) | (468.95) |
| Decrease/(increase) in other non current assets and Loan & advance | (5.17) | (13.72) | 19.80 | (7.97) |
| Decrease/(increase) in other current assets | (32.83) | (56.15) | 301.77 | (215.33) |
| Cash generated from operations | 307.59 | (38.17) | 102.77 | (237.58) |
| Income taxes refunded/ (paid) | 100.00 | 58.00 | 43.57 | 26.76 |
| Net cash flow from operations (A) | 407.59 | 19.83 | 146.34 | (210.82) |
| Cash flow from investing activities | | | | |
| Purchase of /Advances for property, plant & equipment and Intangible | (407.88) | (308.47) | (262.40) | (357.31) |
| Interest received | 18.36 | 7.83 | 2.34 | 47.92 |
| Net cash used in investing activities (B) | (389.52) | (300.64) | (260.06) | (309.38) |
| Cash flow from financing activities | | | | |
| Partners Capital Introduced/(Withdrawn) | - | (918.80) | (10.01) | 28.08 |
| Issue of Shares | 475.00 | - | | |
| Proceeds/(Repayment) of Long Term Borrowings | (50.32) | 178.50 | (283.77) | 552.75 |
| Proceeds/(Repayment) of Short Term Borrowings | (204.11) | 1,186.37 | 682.98 | 122.97 |
| Interest paid | (75.12) | (213.28) | (236.12) | (157.93) |
| Net cash flow from/ (used in) financing activities (C) | 145.45 | 232.79 | 153.08 | 545.87 |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | 163.52 | (48.02) | 39.36 | 25.66 |
| Cash and cash equivalents at the beginning of the year | 41.01 | 89.04 | 49.68 | 24.01 |
| Cash and cash equivalents at the closing of the year | 204.52 | 41.01 | 89.04 | 49.67 |
| a) Cash and Cash Equivalents included in Cash Flow Statement comprise of following (Refer Note I-17): | | | | |
| Particulars | For the period | For the period | For the period | For the period |

| | ended 31 March 2024 | ended 31 December 2023 | ended 31 March, 2023 | ended 31 March, 2022 |
|---|---------------------------|------------------------------|----------------------------|----------------------------|
| Cash in hand | 27.70 | 21.34 | 7.39 | 6.72 |
| Cheques in hand | - | - | - | - |
| Balances with Banks in Current Accounts | 169.62 | 9.25 | 72.65 | 42.96 |
| Bank Deposits - Security for Tender | 7.20 | 10.41 | 9.00 | - |
| Total | 204.52 | 41.01 | 89.04 | 49.67 |

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GENERAL INFORMATION

BRIEF INFORMATION ON COMPANY AND ISSUE

| | | | |
|---|--|-----|-----------------------------|
| Registered Office | SCO 166-167, Level 1, Sector 9C, Madhya Marg, Sector 9, Chandigarh, India, 160009 E-mail: info@amsterlabs.in Website: www.amster.in Tel. 0172-4647450 | | |
| Manufacturing Unit: | Unit-1: Vill. Saraj Majra, Gujran, Near Toll Plaza, Baddi-173205 Unit-2: Hilltop, Ind. Estate, Vill, Bhatauli Kalan, Baddi-173205 | | |
| Date of Incorporation | January 01, 2024 | | |
| CIN | U21001CH2024PLC045445 | | |
| Company Category | Company Limited by Shares | | |
| Registrar of Company | Registrar of Companies, Chandigarh Corporate Bhawan, Plot No.4 B, Sector 27 B, Madhya Marg, Chandigarh – 160019 Phone: 0172-2639415, 2639416 Fax: 0172-2639416 Email: roc.chandigarh@mca.gov.in Website: www.mca.gov.in | | |
| Company Secretary and Compliance Officer | Ms. Shweta R/o: A-1, 44, 1 st Floor, Rohini Sector-14, North West Delhi Delhi-110085 Tel: 0172-4183370 Email: cs@amsterlabs.in | | |
| Chief Financial Officer | Mr. Amit Gupta R/o: 245, Sector-11, Panchkula, Panchkula Sector-4, Haryana-134112 Tel: 0172-4647451 Email: amit@amsterlabs.in | | |
| Designated Stock Exchange | Emerge Platform of National Stock Exchange of India Limited Address: Exchange Plaza, Plot no. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai – 400051 | | |
| Issue Programme | Issue Opens On: | [•] | Issue Closes On: [•] |
| Achor Bid Date | [•] | | |

Note: Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days.

DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

| Lead Manager to the Issue | Registrar to the Issue |
|--|---|
|  Fastrack Finsec Category-I Merchant Banker |  Skyline <small>Towards Excellence</small> Financial Services Pvt. Ltd. |
| Fast Track Finsec Private Limited | Skyline Financial Services Private Limited |
| Address: Office No. V-116, 1 st Floor, New Delhi House, Barakhamba Road, New Delhi – 110001 | Address: D-153 A, 1 st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020 |
| Tel No.: 011-43029809 | Tel No: 011-40450193-97; |
| Fax No. Not Available | Fax No: +91-11-26812683 |
| Email: mb@ftfinsec.com investor@ftfinsec.com | Email: ipo@skylinerta.com |
| Website: www.ftfinsec.com | Website: www.skylinerta.com |
| Contact Person: Mr. Vikas Kumar Verma | Contact Person: Mr. Anuj Rana |
| SEBI Registration No. INM000012500 | SEBI Registration No.: INR000003241 |
| Market Maker | Peer Reviewed/ Statutory Auditor |
| [•] | M/s Mittal Goel & Associates |
| [•] | Chartered Accountants |
| Address: [•] | Address: SCO 40-41 Level 3, Sector 17A, Chandigarh |
| Tel No.: [•] | Tel No. 91-172-4657889 Fax No. Not Available |
| Email: [•] | Email: admin@mgacaindia.com |
| Website: [•] | Contact Person: Mr. Sandeep Goel |
| Contact Person: [•] | Firm Registration No.: 017577N |
| SEBI Registration No.: [•] | Peer Review Certificate No.: 015061 |
| Legal Advisor | Banker to the company |
| Aman Thukral, Advocate | Axis Bank Limited |
| Address: 701, 7 th Floor, Prakashdeep Building, 7, Tolstoy Marg, New Delhi – 110001 | Address: SME CBG Center Panchkula Sector-20 Haryana |
| Mobile. No.: +91-9891602513 | Tele. No.: 8930703400 |
| Email Id: amanthukral@outlook.com | Fax No. Not Available |
| Contact Person: Mr. Aman Thukral | E-mail: axissme.panchkula@axisbank.com |
| Enrollment no.: D/3041/2018 | Website: www.axisbank.com |
| Banker to the Issue & Sponsor bank | |
| [•] | |
| [•] | |
| Address: [•] | |
| Tele. No.: [•] | |
| E-mail: [•] | |
| Website: [•] | |
| Contact Person: [•] | |

DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

| DIN | Name | Address | Category | Designation |
|----------|-------------------------------|---|---------------|---|
| 08117764 | Mr. Uttamjit Singh Sabharwal | House No 2851, Sector 38C, Chadigarh-160036 | Executive | Managing Director |
| 08117763 | Mr. Rajinder Raheja | 668 Sector-9, Panchkula, Haryana -134109 | Executive | Whole Time Director |
| 00370069 | Mr. Satyan Anand | House No.295 Sector-12A Panchkula Haryana 134112 | Executive | Whole Time Director |
| 08117712 | Mr. Amit Gupta | 245, Sector-11, Panchkula, Panchkula Sector-4, Haryana-134112 | Executive | Whole Time Director cum Chief Financial Officer |
| 10448677 | Ms. Bharminder Kaur Sabharwal | House No 2851, Sector 38C, Chadigarh-160036 | Non-Executive | Director |
| 06693476 | Mr. Govind Shanker Pandey | Plot No 479, Industrial Area Phase 1, Panchkula Sector-15, Haryana-134113 | Non-Executive | Independent Director |
| 08450966 | Mr. Rahul Malhotra | 15, Jain Nagar, Near Ganesh Jewellers, Ambala Cantt, Ambala, Haryana-133001 | Non-Executive | Independent Director |
| 09718632 | Mr. Shitij Sharma | House No 3017, Sector 38 D, Chandigarh-160036, | Non-Executive | Independent Director |

For further details of our Directors, please refer chapter titled “Our Management” beginning on page 229 of this Draft Red Herring Prospectus.

INVESTOR GRIEVANCES:

Investors may contact the Company Secretary and Compliance Officer and /or the Registrar to the Issue and/or Lead Manager in case of any Pre-Issue or Post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and non-receipt of funds by electronic mode.

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

In terms of SEBI circular 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 subject to applicable law, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which

the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Lead Manager shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount.

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 Applicant, (other than an RII using the UPI Mechanism), not Applying through Syndicate or through a Registered Broker, may submit the ASBA Forms, is available at the abovementioned link, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form of Applicants is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

INVESTORS BANKS OR ISSUER BANKS FOR UPI

In accordance with UPI Circulars, RIIs applying via UPI Mechanism may apply through the SCSBs and mobile applications, whose names appear on the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>), as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' to the SEBI circular, bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

REGISTERED BROKERS

Bidders can submit Bid cum Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI (www.sebi.gov.in) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

REGISTRAR TO OFFER AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) on

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER/STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Fast Track Finsec Private Limited is the sole Lead Manager to this Issue, a statement of inter-se-allocation of responsibilities amongst Lead Managers is not required.

CREDIT RATING

This being an issue of Equity Shares, credit rating is not required.

IPO GRADING

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

EXPERT OPINION

Except the report of the peer review auditor on Statement of Tax Benefits and report on Restated Financials, for the financial years ended March 31, 2024, 2023 and 2022 is included in this Draft Red Herring Prospectus, our company has not obtained any expert opinion.

DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

APPRAISAL AND MONITORING AGENCY

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to Rs. 10,000 Lakh. Since the Issue size is below Rs. 10,000 Lakh, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

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

UNDERWRITING AGREEMENT

Our Company and LM to the issue hereby confirm that the Issue is [•] Underwritten. The Underwriting agreement is dated [•]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

| Name, Address, Telephone, Fax, and Email of the Underwriter | Indicative No. of Equity Shares to be Underwritten | Amount Underwritten (Rs. In Lakh) | % of the Total Issue Size Underwritten |
|---|--|-----------------------------------|--|
| [•] | [•] | [•] | [•] |

In the opinion of our Board of Directors of the Company, the resources of the abovementioned Underwriter is sufficient to enable them to discharge the underwriting obligations in full. The above-mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

FILING OF DRAFT RED HERRING PROSPECTUS

In terms of Regulation 246(1) of the SEBI (ICDR) Regulations, 2018, a copy of the Draft Red Herring Prospectus shall be filed with the Board (SEBI) through the Lead Manager, immediately upon filing of the offer document with the Registrar of Companies. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, the Board (SEBI) shall not issue any observation on the offer document.

In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, 2018, a copy of this Draft Red Herring Prospectus and Prospectus shall also be furnished to the Board in a soft copy.

A copy of the Draft Red Herring Prospectus shall be filed electronically with the SEBI through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by the SEBI and with the Designated Stock Exchanges. Further, in light of the SEBI notification dated March 27, 2020, a copy of the Draft Red Herring Prospectus will be mailed at the e-mail address: cfddcr@sebi.gov.in

A copy of the Draft Red Herring Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 would be delivered for filing to the **Registrar of Companies – Chandigarh** at Corporate Bhawan, Plot No.4 B, Sector 27 B, Madhya Marg, Chandigarh – 160019

CHANGE IN THE AUDITOR DURING LAST 3 YEARS

Except as mentioned below there has been no change in the Auditors during last three financial years preceding the date of this Red Herring Prospectus:

| S. No. | Particulars | Date of Appointment | Date of Resignation | Reason of Resignation |
|--------|---|---------------------|---------------------|--|
| 1 | M/s Mittal Goel & Associates Chartered Accountants Address: SCO 40-41 Level 3, Sector 17A, Chandigarh Tel No. 91-172-4657889 Email: admin@mgacaindia.com Contact Person: Mr. Sandeep Goel Firm Registration No.: 017577N Peer Review Certificate No. 015061 | January 1, 2024 | NA | Appointment as Statutory Auditors of the Company |

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt

of such notification. Our Company shall also promptly inform NSE Emerge on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE Emerge, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company and the Lead Manager have entered into a tripartite agreement dated [•] with [•] the Market Maker for this Issue, duly registered with NSE Emerge to fulfill the obligations of Market Making:

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time. Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of NSE Limited and SEBI from time to time.
3. The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
7. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its

duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further, our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

9. **Risk containment measures and monitoring for Market Makers:** Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
10. **Punitive Action in case of default by Market Maker:** Emerge Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Makers, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/ fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Makers from time to time.

Price Band and Spreads: Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27,2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the issue size and as follows:

| Issue Size | Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size) | Re-Entry threshold for buyquote (including mandatory initial inventory of 5% of the Issue Size) |
|----------------------------|---|---|
| Up to Rs. 20 Crore | 25% | 24% |
| Rs.20 Crore to Rs.50 Crore | 20% | 19% |
| Rs.50 Crore to Rs.80 Crore | 15% | 14% |
| Above Rs.80 Crore | 12% | 11% |

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/NSE from time to time.

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

GREEN SHOE OPTION

Green Shoe Option is not applicable for this Issue.

BOOK BUILDING PROCESS

Book building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band has been determined by our Company in consultation with the BRLM in accordance with the Book Building Process, and advertised in all editions of a widely circulated English Newspaper, all editions of a widely circulated Hindi Newspaper, and an Regional Language News Paper, where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. The Issue Price has been determined by our Company in consultation with the BRLM in accordance with the Book Building Process after the Bid/Issue Closing Date. Principal parties involved in the Book Building Process are:

- Our Company;
- The Book Running Lead Manager in this case being Fast Track Finsec Private Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with National Stock Exchange Limited and eligible to act as Underwriters;
- The Registrar to the Issue
- The Escrow Collection Banks/ Bankers to the Issue;
- The Sponsor Bank(s);
- The Designated Intermediaries

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. In addition to this, the RIBs may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

For further details on the method and procedure for Bidding, see “*Issue Structure*” and “*Issue Procedure*” on pages 391 and 354, respectively.

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

Illustration of Book Building and Price Discovery Process (Investors should note that this example is solely for illustrative purposes and is not specific to the issue) Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20.00 to ₹ 24.00 per equity share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centers during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

| Bid Quantity | Bid Price (₹) | Cumulative Bid Quantity | Subscription |
|--------------|---------------|-------------------------|--------------|
| 500 | 24 | 500 | 16.67% |
| 1,000 | 23 | 1500 | 50.00% |

| | | | |
|-------|----|------|---------|
| 1,500 | 22 | 3000 | 100.00% |
| 2,000 | 21 | 5000 | 166.67% |
| 2,500 | 20 | 7500 | 250.00% |

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., ₹ 22/- in the above example. The Issuer in consultation with the Book Running Lead Manager will finalize the issue price at or below such cut-off price, i.e., at or below ₹ 22/-. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a Bid (see section titled “Issue Procedure” on page 354 of this Red Herring Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form.

Bids and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Bids and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Non-Retail Bidders shall not be allowed to either withdraw or lower the size of their Bid at any stage. Non-Retail Bidders may revise their Bids upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus is set forth below:
(Rs. in Lakhs)

| S. No. | Particulars | Aggregate Nominal value | Aggregate value at offer price |
|--------|---|-------------------------|--------------------------------|
| A. | Authorized Share Capital | | |
| | 2,50,00,000 Equity Shares of face value Rs.10/- each | 2,500.00 | - |
| B. | Issued, Subscribed and Paid-Up Share Capital before the Issue | | |
| | 1,48,37,603 Equity Shares of face value Rs.10/- each | 1,483.76 | - |
| C. | Present Issue in terms of the Draft Red Herring Prospectus | | |
| | Issue of 53,08,800 Equity Shares of face value Rs.10/- each at a price of Rs. [•] per share | [•] | [•] |
| | Consisting of: | | |
| (I) | Reservation for Market Maker- [•] Equity Shares of face value Rs.10/- each at a price of Rs. [•] per Equity Share reserved as Market Maker Portion. | [•] | [•] |
| (II) | Net Issue to the Public – [•] Equity Shares of face value Rs.10/- each at a price of Rs. [•] per Equity Share. | [•] | [•] |
| | Of the Net Issue to the Public | | |
| (I) | Allocation to Retail Individual Investors – [•] Equity Shares of face value Rs.10/- each at a price of Rs. [•] per Equity Share shall be available for allocation for Investors applying for a value of up to Rs. 2.00 Lakhs. | [•] | [•] |
| (II) | Allocation to Other than Retail Individual Investors – [•] Equity Shares of face value Rs.10/- each at a price of Rs. [•] per Equity Share shall be available for allocation for Investors applying for a value of above Rs.2.00 Lakhs. | [•] | [•] |
| (a) | Allocation to Qualified Institutional Buyer – [•] Equity Shares of Rs.10/- each at a price of Rs. [•] per Equity Share. | [•] | [•] |
| (b) | Allocation to Non- Institutional Investors – [•] Equity Shares of Rs.10/- each at a price of Rs. [•] per Equity Share. | [•] | [•] |
| (c) | Allocation to Anchor Investors – [•] Equity Shares of Rs.10/- each at a price of Rs. [•] per Equity Share. | [•] | [•] |
| D. | Issued, Subscribed and Paid-up Share Capital after the Issue | | |
| | 2,01,46,403 Equity Shares of face value Rs. 10/- each | 2,014.64 | |
| E. | Securities Premium Account | | |
| | Before the Issue | | 190.84 |
| | After the Issue | | [•] |

Our Board of Directors has authorized the present issue vide a resolution passed at its meeting held on dated August 01, 2024 and by Special Resolution passed under Section 26 and other applicable provisions of the Companies Act, 2013 at the EGM of our shareholders held on September 10, 2024.

Our Company has only one class of share capital i.e. Equity Shares of the face value Rs. 10/- each only. All Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the

date of this Draft Red Herring Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Details of increase in Authorised Share Capital:

Since the incorporation of our Company, the Authorised share capital of our Company has been altered in the manner set forth below:

| S. No. | Date | No. of Shares | Face Value (in Rs.) | Cumulative No. of Shares | Cumulative Authorised Share Capital (in Rs.) | Whether AGM/ EGM |
|--------|------------------|---------------|---------------------|--------------------------|--|------------------|
| 1. | On Incorporation | 75,00,000 | 10 | - | 7,50,00,000 | N.A. |
| 2. | 01/05/2024 | 1,75,00,000 | 10 | 2,50,00,000 | 25,00,00,000 | EGM |

2. History of Equity Share Capital of our Company

| S. No. | Date of Allotment | No. of Equity Shares allotted | Face value (Rs.) | Issue Price (Rs.) | Nature of consideration | Nature of Allotment | Cumulative number of Equity Shares | Cumulative Paid-up Capital (Rs.) | Cumulative Securities premium (Rs.) |
|--------|---------------------------------|-------------------------------|------------------|-------------------|-------------------------|--|------------------------------------|----------------------------------|-------------------------------------|
| 1 | On Incorporation ⁽¹⁾ | 60,00,000 | 10 | 10 | Cash | Subscribers to Memorandum of Association | 60,00,000 | 6,00,00,000 | NA |
| 2 | 20.02.2024 ⁽²⁾ | 13,87,627 | 10 | 33.33 | Cash | Private Placement | 73,87,627 | 7,38,76,270 | 3,23,73,338 |
| 3 | 26.03.2024 ⁽³⁾ | 37,503 | 10 | 33.33 | Cash | Private Placement | 74,25,130 | 7,42,51,300 | 3,32,48,283 |
| 4 | 14.05.2024 ⁽⁴⁾ | 2,60,756 | 10 | 33.33 | Cash | Right Issue | 76,85,886 | 7,68,58,860 | 3,93,31,720 |
| 5 | 19.06.2024 ⁽⁵⁾ | 1,67,176 | 10 | 33.33 | Cash | Right Issue | 78,53,062 | 7,85,30,620 | 4,32,31,936 |
| 6 | 05.07.2024 ⁽⁶⁾ | 3,90,077 | 10 | 33.33 | Cash | Right Issue | 82,43,139 | 8,24,31,390 | 5,23,32,432 |
| 7 | 09.07.2024 ⁽⁷⁾ | 65,94,464 | 10 | N.A. | Other than Cash | Bonus Issue in the ratio of 4:5 | 1,48,37,603 | 14,83,76,030 | 5,23,32,432 |

1. Pursuant to conversion of partnership firm M/s. Amster Lab into our Company under the Part I Chapter XXI of the Companies Act, 2013, the initial subscribers to the MoA subscribed 60,00,000 Equity Shares of face value of Rs.10/ each fully paid up, at par against the outstanding credit balance of partners' capital account. Initial Subscribers to the Memorandum of Association hold 60,00,000 Equity Shares each of face value of Rs. 10/- fully paid up as per the details given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------------|---------------------------|------------------------|
| 1. | Rishabh Raheja | 2,62,200 |
| 2. | Meena Anand | 3,00,000 |
| 3 | Bharminder Kaur Sabharwal | 3,00,000 |
| 4 | Amit Gupta | 8,62,200 |
| 5 | Uttamjit Singh Sabharwal | 18,37,800 |
| 6 | Rajinder Raheja | 6,00,000 |
| 7 | Satyan Anand | 18,37,800 |
| Total | | 60,00,000 |

2. Further Allotment of 13,87,627 Equity Shares of Face Value of Rs. 10/- each fully paid up at an issue price of Rs. 33.33/- (including a premium of Rs. 23.33/- per share) on 20.02.2024 on private placement basis. The details of which are given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------------|----------------------------------|------------------------|
| 1. | Goyal Oil Mills | 75,007 |
| 2. | Binod Kumar Chhawchharia | 37,503 |
| 3. | Nakul Chhawchharia | 37,503 |
| 4. | Sarwan Kumar Gupta | 75,007 |
| 5. | Kavya Gupta | 3,75,037 |
| 6. | Rajesh Kumar Agarwal | 37,503 |
| 7. | Rajesh Jain | 37,503 |
| 8. | Rahul Agarwal | 37,503 |
| 9. | Deena Champak Dehdia | 37,503 |
| 10. | Nidhi Uniyal | 37,503 |
| 11. | Mohit Goel | 37,503 |
| 12. | XCAP Investment Private Limited | 75,007 |
| 13. | AVA Paisa Growth Private Limited | 3,75,037 |
| 14. | Saransh Kapoor | 37,503 |
| 15. | Saurabh Gupta | 37,503 |
| 16. | Rajesh | 18,751 |
| 17. | Satish Kumar | 18,751 |
| Total | | 13,87,627 |

3. Further Allotment of 37,503 Equity Shares of Face Value of Rs. 10/- each fully paid up at an issue price of Rs. 33.33/- (including a premium of Rs. 23.33/- per share) on 26.03.2024 on private placement basis. The details of which are given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------------|----------------|------------------------|
| 1. | Vishesh Goel | 22,502 |
| 2. | Ashish Goel | 15,001 |
| Total | | 37,503 |

4. Further Allotment of 2,60,756 Equity Shares of Face Value of Rs. 10/- each fully paid up at an issue price of Rs. 33.33/- (including a premium of Rs. 23.33/- per share) on 14.05.2024 on rights basis in the ratio of 7:200. The details of which are given below*:

| S. No. | Name of Person | No. of Shares Allotted |
|--------------|----------------------------------|------------------------|
| 1. | Manav Singal | 56,078 |
| 2. | Vishesh Goel | 11,145 |
| 3. | Ashish Goel | 7,430 |
| 4. | Dhruv Singal | 56,078 |
| 5. | Sarwan Kumar Gupta | 37,150 |
| 6. | Mohit Goel | 18,575 |
| 7. | Goyal Oil Mills | 37,150 |
| 8. | XCAP investments Private Limited | 37,150 |
| Total | | 2,60,756 |

*The shares were renounced in the favour of above allottees.

5. Further Allotment of 1,67,176 Equity Shares of Face Value of Rs. 10/- each fully paid up at an issue price of Rs. 33.33/- (including a premium of Rs. 23.33/- per share) on 19.06.2024 on rights basis in the ratio of 217:1000. The details of which are given below*:

| S. No. | Name of Person | No. of Shares Allotted |
|--------------|--------------------------|------------------------|
| 1. | Rahul Aggarwal | 18,575 |
| 2. | Binod Kumar Chhawchharia | 18,575 |
| 3. | Nakul Chhawchharia | 18,575 |
| 4. | Rajesh Jain | 18,575 |
| 5. | Deena Champak Dedhia | 18,575 |
| 6. | Nidhi Uniyal | 18,575 |
| 7. | Saransh Kapoor | 18,575 |
| 8. | Sourabh Gupta | 18,575 |
| 9. | Rajesh | 9,288 |
| 10. | Satish Kumar | 9,288 |
| Total | | 1,67,176 |

*The shares were renounced in the favour of above allottees.

6. Further Allotment of 3,90,077 Equity Shares of Face Value of Rs. 10/- each fully paid up at an issue price of Rs. 33.33/- (including a premium of Rs. 23.33/- per share) on 05.07.2024 on rights basis in the ratio of 31:625. The details of which are given below*:

| S. No. | Name of Person | No. of Shares Allotted |
|--------------|----------------------------------|------------------------|
| 1. | Kavya Gupta | 1,85,751 |
| 2. | AVA Paisa Growth Private Limited | 1,85,751 |
| 3. | Rajesh Kumar Agarwal | 18,575 |
| Total | | 3,90,077 |

*The shares were renounced in the favour of above allottees.

7. Bonus Issue of 65,94,464 Equity Shares in the ratio of 4:5 of face value of ₹ 10/- each fully paid held by the members of the Company, on 09.07.2024 as per the details given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|---------------------------|------------------------|
| 1. | Bharminder Kaur Sabharwal | 2,40,000 |
| 2. | Rajinder Raheja | 4,80,000 |
| 3. | Satyan Anand | 14,70,240 |
| 4. | Amit Gupta | 6,89,760 |
| 5. | Uttamjit Singh Sabharwal | 14,70,240 |
| 6. | Rishabh Raheja | 2,09,760 |
| 7. | Meena Anand | 2,40,000 |
| 8. | Goyal Oil Mills | 89,724 |
| 9. | Binod Kumar Chhawchharia | 44,860 |
| 10. | Nakul Chhawchharia | 44,860 |
| 11. | Sarwan Kumar Gupta | 89,724 |
| 12. | Kavya Gupta | 4,48,628 |
| 13. | Rajesh Kumar Agarwal | 44,860 |
| 14. | Rajesh Jain | 44,860 |

| | | |
|--------------|----------------------------------|------------------|
| 15. | Rahul Aggarwal | 44,860 |
| 16. | Deena Champak Dedhia | 44,860 |
| 17. | Nidhi Uniyal | 44,860 |
| 18. | Mohit Goel | 44,860 |
| 19. | XCAP Investments Private Limited | 89,724 |
| 20. | AVA Paisa Growth Private Limited | 4,48,628 |
| 21. | Saransh Kapoor | 44,860 |
| 22. | Sourabh Gupta | 44,860 |
| 23. | Rajesh | 22,428 |
| 24. | Satish Kumar | 22,428 |
| 25. | Vishesh Goel | 26,916 |
| 26. | Ashish Goel | 17,944 |
| 27. | Manav Singal | 44,860 |
| 28. | Dhruv Singal | 44,860 |
| Total | | 65,94,464 |

Note: The company has issued equity shares as a bonus in a 4:5 ratio. The calculation for each shareholder is as follows: [Shareholding as of the record date / 5 = A (ignoring fractions), then A × 4].

Further, we confirm that our Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of this Draft Red Herring Prospectus.

- A. The Company has complied with the provisions of Companies Act, 2013 with respect of issuance of securities since inception till the date of this Draft Red Herring Prospectus.
- B. The Company does not have nor has it granted any ESOP Scheme/ ESOP since inception till the date of this Draft Red Herring Prospectus.

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Shareholding of the Promoters of our Company

As on the date of this Draft Red Herring Prospectus, our Promoters – Mr. Uttamjit Singh Sabharwal, Mr. Rajinder Raheja, Mr. Satyan Anand, Mr. Amit Gupta, Ms. Bharminder Kaur Sabharwal, and Mr. Rishabh Raheja, holds total 1,02,60,000 Equity Shares 69.15% representing of the pre-issue paid up share capital of our Company.

Details of build-up of shareholding of the Promoters

| Date of Allotment / acquisition / transaction and when made fully paid up | Nature (Allotment/ transfer) | Number of Equity Shares | Face Value per Equity Share (in Rs.) | Issue/ Transfer price per Equity Share (in Rs.) | Consideration (cash/ other than cash) | Name of Transferor / Transferee | % of pre-issue capital | % of post-issue capital |
|---|------------------------------|-------------------------|--------------------------------------|---|---------------------------------------|---------------------------------|------------------------|-------------------------|
| Mr. Uttamjit Singh Sabharwal | | | | | | | | |
| Incorporation | Subscriber to MOA | 18,37,800 | 10 | N.A. | Cash | N.A. | 12.39 | 9.12 |
| 09.07.2024 | Allotment | 14,70,240 | 10 | N.A. | Other than Cash | N.A. | 9.91 | 7.30 |
| Total | | 33,08,040 | - | - | - | - | 22.29 | 16.42 |
| Mr. Rajinder Raheja | | | | | | | | |
| Incorporation | Subscriber to MOA | 6,00,000 | 10 | N.A. | Cash | N.A. | 4.04 | 2.98 |
| 09.07.2024 | Allotment | 4,80,000 | 10 | N.A. | Other than Cash | N.A. | 3.24 | 2.38 |
| Total | | 10,80,000 | - | - | - | - | 7.28 | 5.36 |
| Mr. Satyan Anand | | | | | | | | |
| Incorporation | Subscriber to MOA | 18,37,800 | 10 | N.A. | Cash | N.A. | 12.39 | 9.12 |
| 09.07.2024 | Allotment | 14,70,240 | 10 | N.A. | Other than Cash | N.A. | 9.91 | 7.30 |
| Total | | 33,08,040 | - | - | - | - | 22.29 | 16.42 |
| Mr. Amit Gupta | | | | | | | | |
| Incorporation | Subscriber to MOA | 8,62,200 | 10 | N.A. | Cash | N.A. | 5.81 | 4.28 |

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|--------------------------------------|-------------------|------------------|----|------|-----------------|------|--------------|-------------|
| 09.07.2024 | Allotment | 6,89,760 | 10 | N.A. | Other than Cash | N.A. | 4.65 | 3.42 |
| Total | | 15,51,960 | - | - | - | - | 10.46 | 7.70 |
| Ms. Bharminder Kaur Sabharwal | | | | | | | | |
| Incorporation | Subscriber to MOA | 3,00,000 | 10 | N.A. | Cash | N.A. | 2.02 | 1.49 |
| 09.07.2024 | Allotment | 2,40,000 | 10 | N.A. | Other than Cash | N.A. | 1.62 | 1.19 |
| Total | | 5,40,000 | - | - | - | - | 3.64 | 2.68 |
| Mr. Rishabh Raheja | | | | | | | | |
| Incorporation | Subscriber to MOA | 2,62,200 | 10 | N.A. | Cash | N.A. | 1.77 | 1.30 |
| 09.07.2024 | Allotment | 2,09,760 | 10 | N.A. | Other than Cash | N.A. | 1.41 | 1.04 |
| Total | | 4,71,960 | - | - | - | - | 3.18 | 2.34 |

All the Equity Shares held by our Promoters were fully paid-Up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoters are pledged.

Our shareholding pattern:

- i. The table below represents the shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015, as on the date of this Draft Red Herring Prospectus:

| Category Code | Category of shareholder | No. Of share holder | No. of fully paid up equity Shares Held | No. of Partly paid up equity share held | No. of underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (unrealized as per | Number of Voting Rights held in each class of securities* | | No. of Shares Underlying Outstanding convertible | Shareholding, as a % assuming full conversion of convertible securities (as | Number of locked in Shares | | Number of Shares pledged or otherwise Encumbered | | Number of shares held in dematerialized form |
|---------------|-------------------------|---------------------|---|---|---------------------------------------|------------------------|---|---|--|--|---|----------------------------|-----------|--|-----------|--|
| | | | | | | | | No. of Voting Rights | | | | No. (a) | As a % of | No. (a) | As a % of | |

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| | | | | | | | SCRR, 1957) As a % of (A+B +C2) | Class X | Cl ass Y | Total | Total as a % of (A+B +C) | securities (including Warrants) | a percentage of diluted share Capital)As a % of (A+B+C2) | total share s held (B) | total share s held (B) | | |
|-----|--------------------------------|-----------|--------------------|---|----|--------------------|--|--------------------|----------------|--------------------|-----------------------------------|---------------------------------------|---|------------------------------|------------------------------|---|--------------------|
| I | II | III | IV | V | VI | VII= IV+ V+VI | VIII | IX | | | X | XI=VII +X | XII | XIII | XIV | | |
| (A) | Promoters and Promoter Group | 7 | 1,08,00,000 | . | . | 1,08,00,000 | 72.79% | 1,08,00,000 | . | 1,08,00,000 | 72.79% | . | - | . | . | . | 1,08,00,000 |
| (B) | Public | 21 | 40,37,603 | - | - | 40,37,603 | 27.21% | 40,37,603 | . | 40,37,603 | 27.21% | . | . | . | . | . | 40,37,603 |
| (C) | Non-Promoter. Non-Public | . | . | . | . | . | . | . | . | . | . | . | . | . | . | . | . |
| (1) | Shares underlying DRs | . | . | . | . | . | . | . | . | . | . | . | . | . | . | . | . |
| (2) | Shares held by Employee Trusts | . | . | . | . | . | . | . | . | . | . | . | . | . | . | . | . |
| | Total | 28 | 1,48,37,603 | . | . | 1,48,37,603 | 100 | 1,48,37,603 | . | 1,48,37,603 | 100 | . | . | . | . | . | 1,48,37,603 |

*As on the date of this Draft Red Herring Prospectus 1 Equity Shares holds 1 vote.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of Stock Exchanges before commencement of trading of such Equity Shares. The Equity Shares held by our Promoter and members of our Promoter Group are in dematerialized form.

1. As on the date of this Draft Red Herring Prospectus, there are no partly paid-Up shares/outstanding convertible securities/warrants in our Company.
2. Following are the details of the holding of securities of persons belonging to the category “Promoter and Promoter Group” and “public” before and after the Issue:

| S. No. | Name of share holder | Pre-issue | | Post issue | |
|----------------------------|----------------------------|----------------------|--------------------------|----------------------|--------------------------|
| | | No. of equity shares | As a % of Issued Capital | No. of equity shares | As a % of Issued Capital |
| Promoters | | | | | |
| 1. | Bharminder Kaur Sabharwal | 5,40,000 | 3.64 | 5,40,000 | 2.68 |
| 2. | Rajinder Raheja | 10,80,000 | 7.28 | 10,80,000 | 5.36 |
| 3. | Satyan Anand | 33,08,040 | 22.29 | 33,08,040 | 16.42 |
| 4. | Amit Gupta | 15,51,960 | 10.46 | 15,51,960 | 7.70 |
| 5. | Uttamjit Singh Sabharwal | 33,08,040 | 22.29 | 33,08,040 | 16.42 |
| 6. | Rishabh Raheja | 4,71,960 | 3.18 | 4,71,960 | 2.34 |
| Total – A | | 1,02,60,000 | 69.15 | 1,02,60,000 | 50.93 |
| Promoter Group | | | | | |
| 7. | Meena Anand | 5,40,000 | 3.64 | 5,40,000 | 2.68 |
| Total – B | | 5,40,000 | 3.64 | 5,40,000 | 2.68 |
| Public | | | | | |
| 1. | Goyal Oil Mills | 2,01,881 | 1.36 | 2,01,881 | 1.00 |
| 2. | Binod Kumar Chhawchharia | 1,00,938 | 0.68 | 1,00,938 | 0.50 |
| 3. | Nakul Chhawchharia | 1,00,938 | 0.68 | 1,00,938 | 0.50 |
| 4. | Sarwan Kumar Gupta | 2,01,881 | 1.36 | 2,01,881 | 1.00 |
| 5. | Kavya Gupta | 10,09,416 | 6.80 | 10,09,416 | 5.01 |
| 6. | Rajesh Kumar Agarwal | 1,00,938 | 0.68 | 1,00,938 | 0.50 |
| 7. | Rajesh Jain | 1,00,938 | 0.68 | 1,00,938 | 0.50 |
| 8. | Rahul Aggarwal | 1,00,938 | 0.68 | 1,00,938 | 0.50 |
| 9. | Deena Champak Dedhia | 1,00,938 | 0.68 | 1,00,938 | 0.50 |
| 10. | Nidhi Uniyal | 1,00,938 | 0.68 | 1,00,938 | 0.50 |
| 11. | Mohit Goel | 1,00,938 | 0.68 | 1,00,938 | 0.50 |
| 12. | XCAP Investments Pvt. Ltd. | 2,01,881 | 1.36 | 2,01,881 | 1.00 |
| 13. | AVA Paisa Growth Pvt. Ltd. | 10,09,416 | 6.80 | 10,09,416 | 5.01 |
| 14. | Saransh Kapoor | 1,00,938 | 0.68 | 1,00,938 | 0.50 |
| 15. | Sourabh Gupta | 1,00,938 | 0.68 | 1,00,938 | 0.50 |
| 16. | Rajesh | 50,467 | 0.34 | 50,467 | 0.25 |
| 17. | Satish Kumar | 50,467 | 0.34 | 50,467 | 0.25 |
| 18. | Vishesh Goel | 60,563 | 0.41 | 60,563 | 0.30 |
| 19. | Ashish Goel | 40,375 | 0.27 | 40,375 | 0.20 |
| 20. | Manav Singal | 1,00,938 | 0.68 | 1,00,938 | 0.50 |
| 21. | Dhruv Singal | 1,00,938 | 0.68 | 1,00,938 | 0.50 |
| | IPO | - | - | 53,08,800 | 26.35 |
| Total. C | | 40,37,603 | 27.21 | 93,46,403 | 46.39 |
| Grand Total (A+B+C) | | 1,48,37,603 | 100.00 | 2,01,46,403 | 100.00 |

3. The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

| Name of the Promoter | No. of Shares held | Average cost of Acquisition per share (in Rs.) * |
|---------------------------|--------------------|--|
| Bharminder Kaur Sabharwal | 5,40,000 | 5.56 |
| Rajinder Raheja | 10,80,000 | 5.56 |
| Satyan Anand | 33,08,040 | 5.56 |
| Amit Gupta | 15,51,960 | 5.56 |
| Uttamjit Singh Sabharwal | 33,08,040 | 5.56 |
| Rishabh Raheja | 4,71,960 | 5.56 |

* As Certified by M/s Mittal Goel & Associates, Chartered Accountants dated 05.08.2024.

4. Details of Major Shareholders:

(A) List of Shareholders holding 1.00% or more of the Paid-Up Capital of the Company as on date of this Draft Red Herring Prospectus:

| S. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital** |
|--------|--|----------------------------|------------------------|
| 1. | Bharminder Kaur Sabharwal | 540000 | 3.64 |
| 2. | Rajinder Raheja | 1080000 | 7.28 |
| 3. | Satyan Anand | 3308040 | 22.29 |
| 4. | Amit Gupta | 1551960 | 10.46 |
| 5. | Uttamjit Singh Sabharwal | 3308040 | 22.29 |
| 6. | Rishabh Raheja | 471960 | 3.18 |
| 7. | Meena Anand | 540000 | 3.64 |
| 8. | Goyal Oil Mills (Through Mr. Ravi Goyal) | 201881 | 1.36 |
| 9. | Sarwan Kumar Gupta | 201881 | 1.36 |
| 10. | Kavya Gupta | 1009416 | 6.80 |
| 11. | XCAP Investments Pvt. Ltd. | 201881 | 1.36 |
| 12. | AVA Paisa Growth Pvt. Ltd. | 1009416 | 6.80 |
| | TOTAL | 13424475 | 90.46 |

(B) List of Shareholders holding 1.00% or more of the Paid-Up Capital of the Company as on date ten days prior to the date of this Draft Red Herring Prospectus:

| S. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital** |
|--------|-----------------------------------|----------------------------|------------------------|
| 1. | Bharminder Kaur Sabharwal | 540000 | 3.64 |
| 2. | Rajinder Raheja | 1080000 | 7.28 |
| 3. | Satyan Anand | 3308040 | 22.29 |
| 4. | Amit Gupta | 1551960 | 10.46 |
| 5. | Uttamjit Singh Sabharwal | 3308040 | 22.29 |
| 6. | Rishabh Raheja | 471960 | 3.18 |
| 7. | Meena Anand | 540000 | 3.64 |
| 8. | Goyal Oil Mills (Through Mr. Ravi | 201881 | 1.36 |

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| | | | |
|-----|----------------------------|-----------------|--------------|
| | Goyal) | | |
| 9. | Sarwan Kumar Gupta | 201881 | 1.36 |
| 10. | Kavya Gupta | 1009416 | 6.80 |
| 11. | XCAP Investments Pvt. Ltd. | 201881 | 1.36 |
| 12. | AVA Paisa Growth Pvt. Ltd. | 1009416 | 6.80 |
| | TOTAL | 13424475 | 90.46 |

(C) List of Shareholders holding 1.00% or more of the Paid-Up Capital of the Company as on date one year prior to the date of this Draft Red Herring Prospectus:

Our Company has recently been incorporated in the year 2024 pursuant to conversion of partnership firm into a company. Hence, it has not completed one (1) year of incorporation

(D) List of Shareholders holding 1.00% or more of the Paid-Up Capital of the Company as on date two years prior to the date of this Draft Red Herring Prospectus:

Our Company has recently been incorporated in the year 2024 pursuant to conversion of partnership firm into a company. Hence, it has not completed two (2) years of incorporation

*The Company has not issued any convertible instruments like warrants, debentures etc. since its incorporation and there are no outstanding convertible instruments as on date of this Draft Red Herring Prospectus.

** the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

5. Our Company has not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.
6. Except as disclosed in this Draft Red Herring Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
7. We have 28 (Twenty-Eight) shareholders as on the date of filing of this Draft Red Herring Prospectus.
8. As on the date of this Draft Red Herring Prospectus, our Promoters and Promoters' Group hold total 1,08,00,000 Equity Shares representing 72.79% of the pre-issue paid up share capital of our Company.
9. None of our Promoters, their relatives and associates, persons in Promoter Group or the directors of the Company which is a promoter of the Company and/or the Directors of the Company have purchased or sold any securities of our Company during the past six months immediately preceding the date of filing this Draft Red Herring Prospectus.
10. The members of the Promoters Group, our Directors and the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing this Draft Red Herring Prospectus.

Promoter's Contribution and other Lock-in details

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

Pursuant to Regulations 236 and 238 of the SEBI ICDR Regulations, an aggregate of at least 20% of the fully diluted post issue Equity Share capital of our Company held by the Promoters shall be considered as Promoter's Contribution ("**Promoter's Contribution**") and shall be locked in for a period of three years from the date of Allotment of Equity Shares and the shareholding of the Promoters in excess of 30.92% of the fully diluted post issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

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

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 53.61% of the fully diluted post issue Equity Share capital of our Company as the Promoter's Contribution. Our Promoters has agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's Contribution from the date of filing of the Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

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

| Reg. No | Promoter's Minimum Contribution Conditions | Eligibility Status of Equity Shares forming part of Promoter's Contribution |
|----------------|---|--|
| 237 (1)(a)(i) | Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction | The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <u>Hence Eligible</u> |
| 237 (1)(a)(ii) | Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoter's contribution | The minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Eligible</u> |
| 237 (1)(b) | Specified securities acquired by the promoters' and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, during the preceding one year at a price lower than the price at which specified securities are being offered to the public in the initial public offer. | The minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Not Applicable.</u> |

| Reg. No | Promoter's Minimum Contribution Conditions | Eligibility Status of Equity Shares forming part of Promoter's Contribution |
|------------|--|--|
| 237 (1)(c) | Specified securities allotted to the promoters and alternative investment funds during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management. | The minimum Promoter's contribution does not consist of Equity Shares allotted to alternative investment funds. <u>Hence Not applicable.</u> |
| 237 (1)(d) | Specified securities pledged with any creditor. | Our Promoter's has not pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Not Applicable.</u> |

b) Compliance with Lock-in Requirements:

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

- i. As required by clause (a) of Regulation 238, Minimum Promoters' Contribution i.e. 40,29,281 equity shares held by our promoters Mr. Uttamjit Singh Sabharwal, Mr. Rajinder Raheja, Mr. Satyan Anand, Mr. Amit Gupta, Ms. Bharminder Kaur Sabharwal, and Mr. Rishabh Raheja, which shall 20.00 % of proposed post-issue paid up capital shall be locked-in for a period of three years from the date of allotment in the initial public offer.

| Name of Promoter | Date of allotment/acquisition of the Equity Shares | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price per Equity Share (Rs.) | Percentage of post-Offer paid-Up capital (%) | Lock in Period |
|------------------|--|-----------------------|----------------------|------------------|--|--|----------------|
| [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Total | | | 40,29,281 | | | 20.00 | |

- ii. As required by clause (b) of Regulation 238, the excess of minimum promoters' contribution i.e. 67,70,719 equity shares held by our Promoters shall be locked-in for a period of one year from the date of allotment in present initial public offer; and
- iii. As required by Regulation 239, the entire pre-issue capital held by persons other than the promoters as per details provided hereinafter, shall be locked-in for a period of one year from the date of allotment in the present initial public offer.

c) Lock-in of Equity Shares Allotted to Anchor Investors

50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investors Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares shall be locked-in for a period of 30 days from the date of Allotment.

The Equity Shares that are being locked in are not ineligible for computation of Promoters contribution in terms of Regulation 237 of the SEBI (ICDR) Regulations. Equity Shares offered by the Promoters for the minimum Promoters contribution are not subject to pledge. Lock-in period shall commence from the date of allotment of Equity Shares in the Public Issue.

d) We confirm that the minimum Promoters contribution of 20.00% which is subject to lock-in for 3 years does not consist of:

- a) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;
- b) Equity Shares acquired during the preceding three years resulting from a bonus issue by utilization of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters contribution;
- c) Equity Shares acquired by Promoters during the preceding one year at a price lower than the Issue Price;
- d) The Equity Shares held by the Promoters and offered for minimum 20% Promoters Contribution are not subject to any pledge.
- e) Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters Contribution subject to lock-in.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non. Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

Equity Shares locked.in for one year

In addition to above Equity Shares that are locked in for three years as the minimum Promoters' contribution, the promoters and public pre-issue shareholding of Equity Share capital of our Company, i.e. 1,08,08,322 Equity Shares shall be locked in for a period of one year from the date of Allotment in the Public Issue. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

Pledge of Locked in Equity Shares:

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary(ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

However, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

Transferability of Locked in Equity Shares:

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable:

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoter or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

11. Our Company, our Promoters, our Directors and the Lead Manager to this Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.

12. Our Company has not issued shares for consideration other than cash or out of revaluation of reserves, including Bonus Shares, at any point of time since Incorporation except as following:

| S. No | Date of allotment | No. of shares allotted | Face Value (Rs.) | Issue Price (Rs.) | Nature of allotment | Benefits accrued to our Company |
|-------|-------------------|------------------------|------------------|-------------------|---------------------|--|
| 1. | 09.07.2024 | 65,94,464 | 10 | Nil | Bonus Issue | Nil, except for expansion of capital base of our Company |

13. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013.

14. Our Company has not re-valued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

15. Our Company has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves except following.

| S. No | Date of allotment | No. of shares allotted | Face Value (Rs.) | Issue Price (Rs.) | Nature of allotment | Benefits accrued to our Company |
|-------|-------------------|------------------------|------------------|-------------------|---------------------|--|
| 1. | 09.07.2024 | 6594464 | 10 | Nil | Bonus Issue | Nil, except for expansion of capital base of our Company |

16. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
17. There are no safety net arrangements for this public Offer.
18. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options, or rights to convert debentures, loans or other financial instruments into our Equity Shares.
19. As per Regulation 268(2) of SEBI (ICDR) Regulations, 2018, an over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-Up capital is locked-in.
20. All the Equity Shares of our Company are fully paid up as on the date of this Draft Red Herring Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
21. As per RBI regulations, OCBs are not allowed to participate in this Issue.
22. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
23. Investors may note that in case of over-subscription, the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, as amended from time to time.
24. Under subscription, if any, in any category, shall be met with spillover from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and NSE
25. The Issue is being made through Book Building Method.
26. Lead Manager to the Issue viz. Fast Track Finsec Private Limited does not hold any Equity Shares of our Company as on date of Draft Red Herring Prospectus.
27. Registrar & Share Transfer Agent (RTA) of the Issue viz. Skyline Financial Services Pvt. Ltd. does not hold any Equity Share of Company as on date of Draft Red Herring Prospectus.
28. Our Company has not raised any bridge loan against the proceeds of this Issue.
29. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
30. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
31. An Applicant cannot make an application for more than the number of Equity Shares being Issued/Offered through this Draft Red Herring Prospectus, subject to the maximum limit of investment prescribed under

relevant laws applicable to each category of investors.

32. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
33. Our Promoters and the members of our Promoter Group will not participate in this Issue.
34. Our Company has not had any public issue since its incorporation.
35. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
36. For the details of transactions by our Company with our Promoter Group, Group Companies during last three years ended on March 31, 2024, March 31, 2023 & March 31, 2022 and Please refer to “Annexure - VIII” –*Related Party Transaction* in the chapter titled “*Financial Information*” beginning on page no. 297 of this Draft Red Herring Prospectus.

None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “*Our Management*” beginning on page number 229 of this Draft Red Herring Prospectus.

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OBJECTS OF THE ISSUE

The offer comprises a fresh issue of Equity Shares aggregating up to 53,08,800 by our Company. Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the Emerge Platform of National Stock Exchange of India Limited.

The objects of the Issue are: -

1. To setting up of new manufacturing unit and unification of existing divisions.
2. To meet out the Working Capital requirements of the Company.
3. To meet out the General Corporate Purposes; and
4. To meet out the Issue Expenses.

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

In addition, Our Company believes that listing will enhance our Company’s corporate image, brand name and create a public market for its Equity Shares in India.

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association. We confirm that the activities which we have been carrying out till date are in accordance with the objects clause of our Memorandum of Association.

Fund Requirements

Our funding requirements are dependent on a number of factors which may not be in the control of our management, changes in our financial condition and current commercial conditions. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure.

We intend to utilize the proceeds of the Fresh Issue, in the manner set forth below:

| S. No. | Particulars | Amount (In Rs. Lakh) |
|--------|--|----------------------|
| 1. | Gross proceeds from the Issue [§] | [•] |
| 2. | Issue Expenses* [#] | [•] |
| | Net issue Proceeds | [•] |
| 3. | Setting up of new manufacturing unit and unification of existing divisions | 1500.00 |
| 4. | Working Capital Requirement | 1500.00 |
| 5. | General Corporate Purposes [^] | [•] |
| | Total Utilisation | [•] |

[§]Subject to full subscription of the Issue.

*As on August 05, 2024, the Company has incurred a sum of Rs. 05.00 Lakhs towards issue expenses.

[#]To be finalised upon determination of the Offer Price and updated in the Draft Red Herring Prospectus prior to filing with the RoC.

[^]The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceed.

The fund requirement and deployment indicated above are based on management estimates, current circumstances of our business, valid quotations received from third parties, other commercial and technical factors, prevailing market conditions, which are subject to change. Further, the deployment of funds described herein has not been appraised by any bank or financial institution or any external agency or any other independent agency. However, our company has obtained Techno Economic Viability Report (thereafter “TEV Report”) dated July 17, 2024, prepared by Mukaty and Associates, Chartered Engineer, a Certified Professional. We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. This may entail changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013. See “Risk Factors” on page 31.

Subject to applicable laws, in the event of any increase in the actual requirement of funds earmarked for the purposes set forth above, such additional fund requirement will be met by way of any means available to us, including from internal accruals and seeking additional debt from existing and/or future lenders.

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

Details of Utilization of Issue Proceeds

1. Setting up of new manufacturing unit and unification of existing divisions.

We propose to establish a new manufacturing unit and unification of existing divisions at Khasra No. 1296/1, Tehsil-Baddi, Bhatauli Kalan, Solan, Baddi - 173205, Solan, Himachal Pradesh, India, utilizing the net proceeds. The total estimated cost for this project is ₹1463.66 Lakh, based on a project report, the “TEV Report,” dated July 17, 2024, prepared by Mukaty and Associates, Chartered Engineer.

As part of our growth strategy, the company intends to allocate ₹1500.00 Lakh from the net proceeds for this initiative. The project involves establishing new manufacturing unit and unification of existing divisions. Detailed information about the project is outlined below:

- A. To establish the proposed production units, the company plans to enhance its capabilities by expanding injectable production capacity and introducing new products, including cosmetics and novel molecules. This new facility will allow us to diversify and enrich our product portfolio. By offering cutting-edge products, we aim to attract a broader customer base, strengthen our market position, and increase our market share.

The increase in product range and demand will drive higher revenue generation. The new facility will support increased production volumes and economies of scale, further enhancing our overall profitability.

Capacity Overview for Current and Planned Operations:

| S. No. | Product | Unit | Existing Capacity | Enhancement Capacity | Total Capacity |
|--------|------------|--------|-----------------------------|----------------------|----------------|
| | | | (Daily Production Capacity) | | |
| 1 | Tablets | in Nos | 6,00,000 | - | 6,00,000 |
| 2 | Capsules | in Nos | 3,50,000 | - | 3,50,000 |
| 3 | Injectable | in Nos | 1,00,000 | 1,50,000 | 2,50,000 |
| 4 | Others | in Nos | 51,000 | - | 51,000 |
| 5 | Soft Gel | in Nos | 18,00,000 | - | 18,00,000 |

| | | | | | |
|---|---------------------------|--------|---|--------|--------|
| 6 | Cosmetic | in Nos | - | 25,000 | 25,000 |
| 7 | Novel Molecules (Tablets) | in Nos | - | 60,000 | 60,000 |

B. The company intends to relocate machinery from Unit No. I, which specializes in the Soft Gel Products, to Unit No. II. This move aims to achieve enhanced the synergy between units. This strategic move is expected to optimize production efficiency, reduce costs, and support the company's growth and operational excellence. Further, by aligning the capabilities of Unit No. II with the Pharma Formulation processes, the company aims to create a more cohesive and efficient management and production environment. The shift will enhance coordination between resource management through more efficient, lean systems.

Existing Address:

Village Saraj Majra Gujran, Near Toll, Plaza, Baddi, Distt. Solan (HP)

Relocation Address:

Khasra No. 1296/1, Tehsil-Baddi, Bhatauli Kalan, Solan, Baddi - 173205, Solan, Himachal Pradesh, India (Total Size of the area of the land is 20,000 Sq Ft.)

Indicative list of such equipment, plant and machinery that we intend to purchase, along with details of the quotations we have received in this respect is set forth below, which has been certified by M/s. Mittal Goel & Associates, Chartered Accountants, pursuant to their certificate dated 05th August, 2024

a) The detailed break-down of estimated cost of the proposed project, is set forth below:

| S. No. | Particulars | Amount proposed to be funds (Rs. in lakhs) |
|--------|--|--|
| 1. | Building and Construction (civil cost) | 353.33 |
| 2. | Plant and Machinery | 880.74 |
| 3. | Electrical Installation | 25.00 |
| 4. | Government Fee | 182.00 |
| 5. | Technical and Professional fee | 6.30 |
| 6. | Preoperative Expenses & Miscellaneous expenses | 16.29 |
| | Total (a) | 1463.66 |
| 7. | Other Contingencies | 36.34 |
| | Total (a+b) | 1500.00 |

b) Details of equipment, plant and machinery for which orders have been placed: NIL

c) Details of equipment, plant and machinery, civil and others for which orders/ tenders are yet to be placed, which will be financed from Net Proceeds:

(Amount in Lakhs)

A. Building and Construction (civil cost)

| S. No. | Particulars | Rs. | Vender name | Quotation Ref.no/ (Date) | Date of Quotation |
|--------|--------------------------------------|--------|-------------------------------|---------------------------|--|
| 1 | Civil Work plus Installation charges | 18.30 | Deepak Construction | DC/Quotation / 2024-25-16 | 10.07.2024 Validity 31.12.2024 |
| 2 | Factory Pre-Fab Building Shelter | 335.03 | CS Technical Solution Pvt Ltd | EST-001155 | 24.06.2024 Validity |

| | | | | | |
|--|--------------|---------------|--|--|------------|
| | | | | | 31.12.2024 |
| | Total | 353.33 | | | |

B. Plant and Machinery

| S. No. | Particulars | Rs. | Vender name | Quotation Ref.no | Date of Quotation & Validity |
|--------|---|---------------|---------------------------|-------------------------------|-------------------------------------|
| 1 | Air Handling Unit and Dehumidifier with Accessories | 71.36 | Binod Air Flow | Qtr / BAF/2023-24/101 | 28.05.2024 Valid till 31.12.2024 |
| 2 | Liquid Vial Filling Line - Set Division – II | 275 | NKP Pharma | SHO/NKP/0003 | 07.06.2024 Valid till 31.12.2024 |
| 3 | Liquid Vial Filling Line - Set Division – I | 169 | NKP Pharma | SHO/NKP/0004 | 07.06.2024 Valid till 31.12.2024 |
| 4 | Standard Injectable Dry Powder Line | 191.95 | NKP Pharma | NKP/SSG/227-M-PI-R1/2023-2024 | 03.06.2024 Valid till 31.12.2024 |
| 5 | Alu Alu Blister Packaging Machine | 21 | Rapid Pack | 001/23-24 | 08.06.2024 Valid till 31.12.2024 |
| 7 | Automatic Ampule Filing and Two side Sticker Labeling Machine and Two Side Sticker Labeling Machine | 18.06 | Techno pharma engineering | Ref.PW/PQ/255/23-24 | 05.06.2024 Valid till 31.12.2024 |
| 8 | Fully Automatic Drop Unscrambler, Filling, Inner Plug Placing & Screw Capping Machine | 54.61 | Saimach Pharmatech | SPT/AS/Q/8799/2024-2025 | 08.06.2024 Valid till 31.12.2024 |
| 9 | 300 Kg / Ointment / cream / Gel Manufacturing Plant | 37.05 | Saimach Pharmatech | SPT/AS/Q/8830/2024-2025 | 21.06.2024 Valid till 31.12.2024 |
| 10 | Double Sided Rotary Table Press | 35 | Saimach Pharmatech | SPT/AS/Q/8798/2024-2025 | 08.06.2024 Valid till 31.12.2024 |
| 11 | Vibro type Table De-Burring and De-Dusting M/c & Table Metal Detector | ₹ 7.71 | TabTech Solution | TTS/DOM/PI/2682/24-25 | 05.06.2024 Valid till 31.12.2024 |
| | Total | 880.74 | | | |

C. Electrical Installation

| S. No. | Particulars | Rs. | Vender name | Quotation Ref.no | Date of Quotation |
|--------|-------------|-----|-------------|------------------|-------------------|
|--------|-------------|-----|-------------|------------------|-------------------|

| | | | | | & Validity |
|---|--------------------------------------|--------------|------------------|---------------------------------|--|
| 1 | Extension of contract Demand 330 KVA | 15.55 | Amit Enterprises | AE/ Quotation/2024- 25/65 | 10.07.2024 Valid till 31.12.2024 |
| 2 | Electrical Work | 9.45 | Amit Enterprises | AE/ Quotation/2024- 25/64 | 10.07.2024 Valid till 31.12.2024 |
| | Total | 25.00 | | | |

Note:

1. We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary.
2. Additional packaging and forwarding charges, at the applicable rates provided in the quotations, have been included in the cost of equipment, plant and machinery.
3. Additional commissioning and installation costs, at applicable rates provided in the quotations, have been included in the cost of equipment, plant and machinery.
4. Our Company will bear the cost of any additional charge, as applicable, including taxes, if any, from our internal accruals.
5. Additional investment in the project, if any and/or any overrun, over and above the estimated budget i.e 1500 Lakhs shall be met by the internal accruals.
6. All the above quotations are subject to GST.

TENTATIVE IMPLEMENTATION SCHEDULE

| Division | Start Date | Installation of machines | Approval from regulatory authority | Name of Approval | Operational date |
|------------------------------|---|---------------------------------|---|----------------------------------|-------------------------|
| Injectibles | Oct-24 | Jan-25 | Feb-25 | Drug approval | Mar-25 |
| Cosmetic | Oct-24 | Sep-25 | Nov-25 | Drug and cosmetic approval | Dec-25 |
| New Molecules | Oct-24 | Sep-25 | Nov-25 | Drug approval | Feb-26 |
| Shifting of Unit 1 to Unit 2 | Oct 2024 to March 2025 (Civil Construction) | Jun-25 | July-25 | Nutraceuticals and Drug approval | Aug-25 |

Note 1: The Company has set the commissioning dates for the Proposed Project as Jan 2025 for the Injectable Unit, September, 2025 for the Cosmetic Unit and New Molecules. However, considering the current status and pending activities such as building construction, procurement of plant and machinery, equipment delivery, shifting of machinery from unit – I to Unit -II and plant erection and commissioning, it is reasonable to schedule the project completion within the period from October 2024 to June 2025.

Note 2: The Company needs to ensure meticulous project monitoring and balance mandatory statutory approvals should be in place before the Commercial Operation Date (COD).

Further, Our Company has budgeted ₹218.80 Lakhs as Government fee, professional and Technician fee, miscellaneous and contingency expenses. This cost is based on management estimates and includes cost towards Preoperative expenses, registration fee, internal electrifications, water requirements, material handling

equipment, etc. which shall be procured based upon future requirements.

As on the date of this Draft Red Herring Prospectus, we have not placed any orders for any equipment of the total estimated cost for purchase of equipment, plant and machinery, civil work etc. We are yet to place orders for such machineries and equipment for an aggregate amount of ₹1500.00 Lakh. Accordingly, we are yet to place orders for 100% of the total estimated cost in relation to the purchase of plant, machinery and equipment.

No second-hand or used machinery is proposed to be purchased out of the Net Proceeds. Each of the units mentioned above is proposed to be acquired in a ready-to-use condition.

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. The quotation mentioned above exclude additional taxes, if any applicable. Such additional taxes shall be funded from internal accruals or become a part of working capital, if required. Further, certain quotations stipulate that actual purchase price and delivery periods are subject to change at the time of placing of the orders. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or provide the service at the same costs. In accordance with the terms of certain quotations obtained by our Company, the prices in relation to the equipment, plant and machinery may be subject to revisions during the validity period of such quotations, pursuant to inter alia any update to the pricing list of the vendor, prices of the raw materials or policy changes. If there is any increase in the costs of equipment, plant and machinery, such additional costs shall be funded by our Company from its internal accruals. The quantity of equipment to be purchased is based on the present estimates of our management. Our Company shall have the flexibility to deploy such equipment according to the business requirements of such facilities and based on the estimates of our management.

Our Promoter, Group Companies, Directors, Key Managerial Personnel and Senior Management do not have any interest in the proposed acquisition of equipment, plant and machinery, or in the entities from whom we have obtained quotations in relation to such activities.

The Management will utilize the proceeds to meet the cost of plant machinery, equipment as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of Plant, machineries, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.

2. Working Capital Requirements:

We primarily finance our working capital needs through internal accruals, net worth, and loans in the normal course of our business. For more details, please refer to the chapter titled "Financial Indebtedness" on page 320. The table below outlines the Company's working capital as of March 31, 2023, and for the periods ending December 31, 2023, and March 31, 2024, including the sources of funding, based on the Restated Financial Statements certified by our Statutory and Peer Review Auditor, M/s Mittal Goel and Associates, Chartered Accountants, in their report dated August 1, 2024.

Prior to converting our partnership firm into a limited liability company, the business operated with zero or negative working capital. This transition has created opportunities for growth and operational stability, underscoring the necessity for adequate working capital. With its enhanced credibility as a limited company, the business now enjoys improved access to resources and funding, facilitating effective scaling of operations. Keeping this critical factor in mind, we have made future projections accordingly.

During the fiscal year 2023-24, the company expanded its operations by acquiring two entities and plans to establish a new manufacturing unit in fiscal year 2024-25. As a result, the working capital requirements for FY25 and subsequent years have been estimated to account for these developments. This includes the need to maintain sufficient inventory for smooth supply across seasons, extend more favorable credit terms to customers, and allocate adequate provisions for overhead costs.

On the supply side, businesses typically rely on a limited number of suppliers, who offer credit but often impose upper limits on the amount and duration of credit. Consequently, while the scale of operations increases, creditor days do not rise proportionately, leading to a higher working capital requirement.

Furthermore, the working capital estimates for FY25 and FY26 are based on management's projections of current and future financial performance. These projections are grounded in a set of assumptions about future events and management actions.

The table below provides a year-wise breakdown of our existing and projected working capital requirements:

(Amount in Lakhs)

| | 31.03.2022 | 31.03.2023 | 31.03.2024* | 31.03.2025 | 31.03.2026 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| | (Audited) | (Audited) | (Audited) | (Projected) | (Projected) |
| Current Assets | | | | | |
| Inventories | 1,180.28 | 1,986.57 | 2,907.51 | 3,192.00 | 4,177.00 |
| Trade Receivables | 3,222.88 | 3,186.67 | 4,972.03 | 4,800.00 | 5,570.00 |
| Cash and Cash Equivalents | 49.67 | 89.04 | 204.52 | 57.33 | 65.95 |
| Short-term Loans and Advances | 37.23 | 62.94 | 104.25 | 122.00 | 125.00 |
| Other Current Assets | 529.01 | 227.24 | 316.22 | 379.00 | 445.00 |
| Total (A) | 5,019.07 | 5,552.46 | 8,504.53 | 8550.33 | 10382.95 |
| | | | | | |
| Current Liabilities | | | | | |
| Short-Term Borrowings | 1,480.04 | 2,163.02 | 3,145.28 | 2,968.00 | 3624.00 |
| Trade Payables | 3,141.66 | 2,970.27 | 4,069.98 | 3,425.00 | 3985.00 |
| Short-Term Provisions | 15.18 | 43.49 | 255.02 | 44.75 | 65.77 |
| Other Current Liabilities | 172.24 | 234.51 | 928.19 | 550.00 | 575.00 |
| Total (B) | 4,809.12 | 5,411.29 | 8,398.47 | 6,987.75 | 8249.77 |
| | | | | | |
| Net Working Capital (A)-(B) | 209.95 | 141.17 | 106.06 | 1562.58 | 2133.18 |
| Incremental Working Capital | | | | 1456.52 | 570.60 |
| | | | | | |
| Sources of Working Capital | | | | | |
| Working Capital Funding through IPO | | | | 1050.00 | 450.00 |
| Internal Sources/Share Capital/Borrowings | | | | 406.52 | 120.60 |

* Combined figure from April 01, 2023 to December 31, 2023 of M/s Amster Labs and January 1, 2024 to March 31, 2024 of M/s Amster Labs Limited.

Assumptions for working capital projections made by our company:

We are an ISO 9001:2015 certified Indian pharmaceutical company specializing in pharmaceutical formulations and contract manufacturing. We adhere to the regulations of the Indian Pharmaceutical Association and comply with international standards. Our expertise encompasses the manufacturing of tablets, capsules, soft gel capsules, injections, and more. In the financial year 2023-24, we expanded our operations by acquiring two additional entities. As we adapt to the evolving industry landscape, our goal is to enhance our supply chain and broaden our product offerings to better meet the growing market demands.

Further, In order to support its incremental business requirements, funding growth opportunities and for other strategic, business, and corporate purposes requires additional working capital and such funding is expected to lead to a consequent increase in our revenues and profitability. This includes offering flexibility in credit periods to stimulate increased sales volume and foster stronger customer relationships and settle our payables we aim to

negotiate more favorable terms and conditions with our suppliers.

Basis of Estimation

(in days)

| Particulars | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|-----------------------------------|---------|---------|---------|---------|---------|
| No. of Days for Trade Receivables | 122 | 110 | 154 | 135 | 120 |
| No. of Days for Inventory Days | 45 | 69 | 90 | 90 | 90 |
| No. of Days for Trade Payables | 138 | 126 | 169 | 129 | 115 |

Justification:

| | |
|-------------------------------|--|
| Trade Receivables Days | <p>Trade Receivables days stood at 122, 110 and 154 in the financial years 2021-22, 2022-23 and 2023-24 respectively.</p> <p>Going forward, our company aims to offer and maintain competitive credit facilities for our customers and debtors. Our credit terms will vary depending on the type of customer or debtor. Based on our projected financials, we anticipate that customer and debtor levels will average 135 days and 120 days for financial years 2024-25 and 2025-26 respectively. This estimate aligns with our projected increase in operational levels, current payment terms, and industry trends.</p> <p>Trade receivables days calculated as closing trade receivables divided by revenue with customers over 365 days.</p> |
| Inventory Days | <p>Our company manages inventory levels based on demand, production schedules, and delivery timelines. Effective inventory management is crucial in our sector and is anticipated to expand in tandem with our business growth. Therefore, we plan to focus on optimizing our inventory management practices.</p> <p>According to industry trends, we project inventory turnover days to be approximately 90 days for the financial years 2024-25 and 2025-26. This is compared to turnover days of 45, 69, and 90 for the financial years 2021-22, 2022-23, and 2023-24, respectively.</p> |
| Short-Term Loans and Advances | <p>Short-term loans and advances encompass funds allocated as advances to suppliers and employees. Advances to suppliers are prepayments made to secure goods or services, while advances to employees, project-related costs, or other short-term needs.</p> <p>As our business volume grows, we expect an increase in these short-term loans and advances. This anticipated rise is crucial to support our operational needs effectively. By ensuring that we have sufficient short-term financing, we aim to maintain a steady flow of resources, prevent any interruptions in our supply chain, and uphold cost efficiency. This approach helps us manage working capital efficiently and supports smooth business operations as we scale.</p> |
| Other Current Assets | <p>Other current assets, including GST (Input Tax Credit) balances, prepaid expenses and others, are anticipated to see a positive impact from the growth in business volume. Overall, the expansion of our business is expected to enhance these current asset categories, improving our financial position and liquidity.</p> |
| Trade Payables Days | <p>Trade Payables days stood at 138, 126 and 169 of total expenses excluding employee benefit expenses, depreciation & amortization, finance costs and tax expense incurred in financial year 2021-22, 2022-23 and 2023-24 respectively.</p> |

| | |
|---------------------------|---|
| | <p>Though, with the rationalization of the operations, and to get benefitted by offering faster payments, our Company intends to reduce the period of days involved in trade payable. Our company shall try to make early payments to negotiate better terms and finer pricing with increased liquidity, accordingly in estimated financials, Trade Payables days are estimated 129 and 115 for financial year 2024-25 and 2025-26 respectively. This reduction reflects our commitment to optimizing cash flow, enhancing supplier relationships, and leveraging financial efficiencies.</p> <p>Trade payable days calculated as trade payables divided by total expenses (excluding employee benefits expense, depreciation and amortization, finance cost and tax expense) over 365 days</p> |
| Other Current Liabilities | <p>Our company's other current liabilities encompass statutory dues, employee-related liabilities, advances from customers and outstanding of asset vendors. For the financial years 2021-22, 2022-23, and 2023-24, these liabilities 7 days, 8 days, and 29 days, respectively.</p> <p>Looking ahead, we have projected other current liabilities to remain at 15 days for financial years 2024-25 and 12 days 2025-26. This estimate is based on our anticipated operational scale and expansion activities, and it is deemed reasonable given our planned business volume. By maintaining these liability levels, we aim to ensure alignment with our operational needs and financial strategies, while effectively managing our short-term obligations.</p> |

3. General Corporate Purpose

Our Company intends to deploy the balance Net Proceeds aggregating Rs. [•] for General Corporate Purposes subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations, including but not limited or restricted to, strategic initiatives, strengthening our marketing network & capability, meeting exigencies, brand building exercises in order to strengthen our operations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for General Corporate Purposes.

4. Issue Related Expenses

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs [•]

(Rs. In Lakh)

| S. No. | Particulars | Amount (Rs. in Lakhs) | % of Total Issue Expenses | % of Gross Issue Size |
|--------|---|-----------------------|---------------------------|-----------------------|
| 1 | Lead manager(s) fees including underwriting commission. | [•] | [•] | [•] |
| 2 | Brokerage, selling commission and upload fees. | [•] | [•] | [•] |
| 3 | Registrars to the issue | [•] | [•] | [•] |
| 4 | Legal Advisors | [•] | [•] | [•] |
| 5 | Printing, advertising and marketing expenses | [•] | [•] | [•] |
| 6 | Regulators including stock exchanges | [•] | [•] | [•] |
| 7 | Others, if any (Advisors to the company, Peer Review Auditors, | [•] | [•] | [•] |

| | | | | |
|--------------|---|-----|-----|-----|
| | and other misc. expenses like printing & stationery etc.) | | | |
| Total | | [•] | [•] | [•] |

MEANS OF FINANCE

The requirements of the proposed objects are intended to be funded from the proceeds of the Issue and internal accruals. Accordingly, we confirm that there is no requirement for us 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 proposed Issue.

(Rs. in Lakh)

| Particulars | Estimated Amount |
|-------------|------------------|
| IPO Proceed | [•] |

APPRAISAL BY APPRAISING AGENCY

None of the Objects for which the Net Proceeds will be utilized have been appraised by any agency, including any bank or finance institution.

SCHEDULE OF IMPLEMENTATION

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

(Amount in Lakhs)

| S. No. | Particulars | Amount to be funded from Gross Proceeds | Expenses incurred till July 31, 2024 | Estimated Utilisation of Net Proceeds (F.Y. 2024-25) | Estimated Utilisation of Net Proceeds (F.Y. 2025-26) |
|--------------|--|---|--------------------------------------|--|--|
| 1 | Setting up of new manufacturing unit and unification of existing divisions | 1,500.00 | 0 | 1200.21 | 299.79 |
| 2 | Working Capital Requirement | 1,500.00 | 0 | 1050.00 | 450.00 |
| 3 | General Corporate Purposes | [•] | 0 | [•] | [•] |
| 4 | Issue Expenses | [•] | 5.00 | [•] | [•] |
| Total | | [•] | 5.00 | [•] | [•] |

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

In the event the Net Proceeds are not completely utilised for the Objects during the respective periods mentioned in “-Schedule of implementation” above, due to factors such as (i) economic and business conditions; (ii) delay in procuring and operationalizing assets or necessary licenses and approvals; (iii) timely completion of the Offer; (iv) market conditions outside the control of our Company; and (v) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws. Further, capital expenditure towards the stated Objects may also be accelerated, due to early completion of various activities mentioned in this section.

DEPLOYMENT OF FUNDS

The Company has received the Sources and Deployment Funds Certificate dated 05th August, 2024 from M/s Mittal Goel & Associates, Chartered Accountants. The certificate states that the Company has deployed amounts aggregating Rs. 5.00 Lakhs as on July 31, 2024, for the Issue Expenses. The Source of the expenses made by the Company through the Internal Accruals.

INTERIM USE OF FUNDS

Pending utilization for the purposes described above, our Company intends to invest the funds in Scheduled Commercial Banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Hearing Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

MONITORING UTILIZATION OF FUNDS

As the Net Proceeds of the Issue will be less than Rs. 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency. Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company. No part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the Postal Ballot Notice) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

No part of the Net Proceeds will be utilised by our Company as consideration to our Promoter, members of the Promoter Group, Directors, Group Companies, Key Management Personnel or Senior Management. Our Company has not entered into nor is planning to enter into any arrangement/agreements with Promoter, member of the Promoter Group, Directors, Group Companies, Key Management Personnel or Senior Management in relation to the utilisation of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects as disclosed in the sections titled Our Promoters, Our Promoters Group and Our Management as mentioned on page nos. 245, 249 and 229 of this Draft Red Herring Prospectus.

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BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information of the Company**” beginning on page 31, 165 and 258 respectively of the Draft Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

Price Band/ Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

For the purpose of making an informed investment decision, the investors should also refer “**Risk Factors**”, “**Our Business**” and “**Financial Statement as restated**” beginning on page 31, 165 and 258 respectively of this Draft Red Herring Prospectus.

QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

- (a) *Experienced Promoters and Senior Management with extensive domain knowledge*
- (b) *Quality assurance and control*
- (c) *Market Potential*
- (d) *Investment in latest technology and maintain our edge in the market.*
- (e) *Strong sales, marketing, and distribution capabilities*
- (f) *Large and rapidly growing R&D capabilities across our product portfolio;*
- (g) *Strategic presence across the pharmaceutical value chain; and*

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 165 of this Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “**Financial Information of the Company**” on page 258 of this Draft Red Herring Prospectus.

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

1. Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10/- each):

As per the Restated Financial Statements: -

| S. No | Period | Basic & Diluted (In Rs.) | Weights | Product |
|-------|--------------------------|--------------------------|-------------|---------|
| 1. | Financial Year 2023-2024 | 8.31* | 3 | 24.93 |
| 2. | Financial Year 2022-2023 | 3.95 | 2 | 7.90 |
| 3. | Financial Year 2021-2022 | 1.99 | 1 | 1.99 |
| | Weighted Average | | 5.80 | |

*Combined EPS figure from April 01, 2023 to December 31, 2023 and January 1, 2024 to March 31, 2024.

Notes:

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. The face value of each Equity Share is ₹10.00/-.
- iii. Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India. These figures are adjusted to reconcile the Impact of bonus issue, pursuant to Accounting Standard 20 “Earnings Per Share” issued by ICAI and for presenting comparable figures.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- v. Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of equity shares outstanding during the year / period.
- vi. Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of diluted potential equity shares outstanding during the year/ period.

2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of Face Value of ₹ 10/-each fully paid up

| Particulars | (P/E) Ratio at the Floor Price | (P/E) Ratio at the Cap Price |
|--|--------------------------------|------------------------------|
| P/E ratio based on the Basic & Diluted EPS, as restated for Financial Year 2023-24 | [●] | [●] |
| P/E ratio based on the Weighted Average EPS, as restated. | [●] | [●] |

3. Industry P/E ratio

| Particulars | P/E ratio |
|------------------|-----------|
| Highest | 106.3 |
| Lowest | 12.4 |
| Industry Average | 59.35 |

*Source: Industry Peer Group P/E Ratio- Pharma Formula and Pharma Drugs- Capital Market Vol No. XXXIX/15/39SPLSPL15 September 02 – September 15, 2024

4. Average Return on Return on Net worth (RoNW)*

| S. No | Period | RoNW (%) | Weights |
|-------|---------------------------|--------------|---------|
| 1. | Financial Year 2023-2024* | 0.56 | 3 |
| 2. | Financial Year 2022-2023 | 0.21 | 2 |
| 3. | Financial Year 2021-2022 | 0.13 | 1 |
| | Weighted Average | 0.37% | |

*Combined EPS figure from April 01, 2023 to December 31, 2023 and January 1, 2024 to March 31, 2024.

Note:

- i. The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/ period
- ii. Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year / Total of weights
- iii. Net worth is aggregate value of the paid-up share capital of the Company and reserves and surplus, excluding revaluation reserves and attributable to equity holders.

5. Net Asset Value (NAV) per Equity Share as per restated financials:

(In Rs.)

| S. No. | NAV per Equity Share | Outstanding at the end of the year |
|--------|--------------------------------------|------------------------------------|
| 1. | As of March 31, 2024 | 12.38 |
| 2. | As of March 31, 2023 | 19.15 |
| 3. | As of March 31, 2022 | 15.36 |
| 4. | NAV per Equity Share after the Issue | [●] |
| 5. | Issue Price | [●] |

Notes:

- NAV per share = Restated Net worth at the end of the year / weighted average number of equity shares outstanding at the end of the year/ period.
- Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares.
- Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.
- These figures are adjusted to reconcile the Impact of bonus issue dated July 9, 2024, for presenting comparable figures.

6. Comparison of Accounting Ratios with Industry Peers:

| S. No. | Name of the Company | Face Value (Per Share) | CMP | EPS | P/E Ratio | RONW (%) | NAV (Rs. Per share) | PAT (Rs. in Lakh) |
|--------|-------------------------|------------------------|---------|-------|-----------|----------|---------------------|-------------------|
| 1 | Amster Labs Ltd. | 10.00 | [●] | 14.96 | [●] | 55.67% | 22.29 | 9.21 |
| 2 | Quest Laboratories Ltd. | 10.00 | # | 9.11 | # | 35.23% | 23.99 | 10.09 |
| 3 | Beta Drugs Ltd. | 10.00 | 1233.75 | 22.82 | 54.06 | 18.90% | 120.67 | 21.94 |
| 4 | Alpa Laboratories Ltd. | 10.00 | 83.25 | 8.01 | 10.39 | 11.04% | 72.20 | 16.78 |
| 5 | Zenith Drugs Ltd. | 10.00 | 62.70 | 5.56 | 11.28 | 15.32% | 36.28 | 9.54 |

*Source: <https://www.bseindia.com>

NA as company listed on 23rd May, 2024.

Notes:

- Considering the nature and turnover of business of the Company the peer is not strictly comparable. However, the same have been included for broader comparison.
- The figures for Amster Labs Limited (Formerly named M/s Amster Labs a partnership firm converted into Company on 01/01/2024) are based on the restated results for the year ended March 31, 2024, i.e., Combined ratios and figure from April 01, 2023 to December 31, 2023 of Amster labs and January 1, 2024 to March 31, 2024 of Amster Labs Limited.
- The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2024.
- Current Market Price (CMP) is the closing price of respective scrip as on 31st March, 2024.

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7. Key Performance Indicator

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated August 1, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this DRHP. Further, the KPIs herein have been certified by our Statutory Auditors namely Mittal Goel & Associates, Chartered Accountants, vide their certificate dated [●].

The KPIs of our Company have been disclosed in the sections titled ***“Our Business”*** and ***“Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators”*** on pages 165 and 310 respectively. We have described and defined the KPIs, as applicable, in ***“Definitions and Abbreviations”*** on page 1.

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

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a) Key Performance Indicators of our Company

(Rs. In Lakhs except EPS, percentages and ratios)

| Key Financial Performance | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Revenue from operations ⁽¹⁾ | 11,794.58 | 10,526.21 | 9,649.39 |
| Revenue CAGR (%) from F.Y 2021-2022 ⁽²⁾ | 10.56% | | |
| EBITDA ⁽³⁾ | 1723.25 | 766.44 | 477.67 |
| EBITDA Margin ⁽⁴⁾ | 14.61% | 7.28 % | 4.95% |
| EBITDA CAGR (%) from F.Y 2021-2022 ⁽⁵⁾ | 89.94% | | |
| EBIT ⁽⁶⁾ | 1561.45 | 623.11 | 356.88 |
| Current Ratio ⁽⁷⁾ | 1.01 | 1.03 | 1.04 |
| Operating Cash Flow ⁽⁸⁾ | 427.42 | 146.34 | (210.82) |
| PAT ⁽⁹⁾ | 921.23 | 243.04 | 122.76 |
| PAT Margin ⁽¹⁰⁾ | 7.81% | 2.31 % | 1.27 % |
| Net Worth ⁽¹¹⁾ | 1654.92 | 1177.50 | 944.47 |
| RoE(%) ⁽¹²⁾ | 65.05% | 22.91% | 14.13% |
| RoCE (%) ⁽¹³⁾ | 27.62% | 15.33% | 10.39% |
| EPS ⁽¹⁴⁾ | 14.96 | 7.11 | 3.59 |
| EPS(Adjusted) ⁽¹⁵⁾ | 8.31 | 3.95 | 1.99 |

Notes:

⁽¹⁾ Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

⁽²⁾ Revenue CAGR: The three-year compound annual growth rate in Revenue. $[(\text{Ending Value}/\text{Beginning Value})^{1/N}] - 1$

⁽³⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses

⁽⁴⁾ EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

⁽⁵⁾ EBITDA CAGR: The Three Year compound annual growth rate in EBITDA. $[(\text{Ending Value}/\text{Beginning Value})^{1/N}] - 1$

⁽⁶⁾ EBIT Earning before finance cost and taxes

⁽⁷⁾ Current Ratio: Current assets over current liabilities

⁽⁸⁾ Operating Cash Flow: Net Cash inflows from Operating Activities

⁽⁹⁾ PAT is mentioned as profit after tax for the period

⁽¹⁰⁾ PAT Margin is calculated as PAT for the period/year divided by total revenue.

⁽¹¹⁾ Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.

⁽¹²⁾ Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

⁽¹³⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

⁽¹⁴⁾ EPS : Earning per share is calculated as PAT divided by weighted No. of Equity Shares

⁽¹⁵⁾ EPS (Adjusted): Earning per share is calculated as PAT divided by weighted No. of equity Shares, after considering the Impact of bonus issue, pursuant to Accounting Standard 20 "Earning Per Share" issue by ICAI and for presenting comparable figures.

Explanation for KPI metrics

| KPI | Explanations |
|-------------------------|--|
| Revenue from Operations | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business |
| Revenue CAGR | Revenue CAGR informs the management of compounded annual growth rate i.e. Rate at which Company's revenue are growing on annual basis. |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business |
| EBITDA Margin (%) | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business |
| PAT | Profit after tax provides information regarding the overall profitability of the business. |
| PAT Margin (%) | PAT Margin (%) is an indicator of the overall profitability and financial performance of our business. |
| Net Worth | Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity. |
| RoE (%) | RoE provides how efficiently our Company generates profits from shareholders' funds. |
| RoCE (%) | RoCE provides how efficiently our Company generates earnings from the capital employed in the business. |
| Current Ratio | Current ratio indicates the Company's ability to bear its short term obligations |
| Operating Cash Flow | Operating Cash Flow shows whether the Company is able to generate cash from day to day business |
| EPS | Earning per shares is the Company's earnings available of one share of the Company for the period |

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b) Comparison of KPI with listed industry peers

(Amount in Crore)

| Key Financial Performance | Amster Labs Ltd. | | | Quest Laboratories Ltd. | | | Beta Drugs Ltd. | | | Alpa Laboratories Ltd. | | | Zenith Drug Ltd. | | |
|---|------------------|--------------|--------------|-------------------------|--------------|--------------|-----------------|--------------|--------------|------------------------|--------------|--------------|------------------|--------------|--------------|
| | F.Y. 2023-24 | F.Y. 2022-24 | F.Y. 2021-22 | F.Y. 2023-24 | F.Y. 2022-24 | F.Y. 2021-22 | F.Y. 2023-24 | F.Y. 2022-24 | F.Y. 2021-22 | F.Y. 2023-24 | F.Y. 2022-24 | F.Y. 2021-22 | F.Y. 2023-24 | F.Y. 2022-24 | F.Y. 2021-22 |
| Revenue from Operation ⁽¹⁾ | 117.95 | 105.26 | 96.49 | 82.56 | 61.64 | 59.48 | 197.62 | 157.87 | 124.85 | 108.74 | 92.95 | 112.27 | 131.62 | 114.52 | 91.66 |
| Growth in Revenue From Operation ⁽²⁾ | 12.05% | 9.08% | 56.46% | 33.94% | 3.62% | 95.90% | 25.18% | 26.45% | 57.13% | 16.99% | (17.20%) | 15.08% | 14.93% | 24.94% | 24.87% |
| EBITDA ⁽³⁾ | 17.23 | 7.66 | 4.78 | 15.55 | 7.82 | 6.47 | 33.52 | 31.20 | 25.18 | 8.14 | 8.08 | 10.69 | 16.93 | 9.05 | 6.93 |
| EBITDA Margin ⁽⁴⁾ | 14.61% | 7.28% | 4.95% | 18.84% | 12.69% | 10.87% | 16.96% | 19.76% | 20.17% | 7.49% | 8.69% | 9.52% | 12.86% | 7.91% | 7.56% |
| PAT ⁽⁵⁾ | 9.21 | 2.43 | 1.23 | 10.09 | 5.03 | 4.11 | 21.94 | 18.82 | 14.25 | 16.78 | 12.62 | 14.13 | 9.54 | 4.88 | 3.21 |
| PAT Margin ⁽⁵⁾ | 7.81% | 2.31% | 1.27% | 12.22% | 8.16% | 6.90% | 11.10% | 11.92% | 11.41% | 15.43% | 13.58% | 12.58% | 7.25% | 4.26% | 3.50% |
| Net Worth ⁽⁶⁾ | 165.49 | 117.76 | 94.45 | 28.64 | 15.10 | 10.05 | 116.01 | 96.26 | 77.46 | 161.97 | 144.53 | 131.64 | 62.22 | 17.73 | 12.85 |

**All the information for listed industry peers mentioned above are on a standalone basis and is sourced from their respective audited/ unaudited financial results and/or annual report.

Notes:

- (1) Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected companies.
- (2) Growth in Revenue from operations (%) is calculated as Revenue from operations of the relevant period minus Revenue from operations of the preceding period, divided by Revenue from operations of the preceding period.
- (3) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost.
- (4) EBITDA Margin' is calculated as EBITDA divided by Revenue from operation.
- (5) PAT is the profit for the period from continuing operations.
- (6) PAT Margin' is calculated as PAT for the period/year divided by Total Income.
- (7) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account .

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

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

The Company has issued the following shares (excluding shares issued under ESOP / ESOS / Bonus shares) during the 18 months preceding the date of this DRHP, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

| Date of Acquisition of Equity Share | No. of Equity Share Acquired | Face Value | Price of Acquisition per share (In Rs.) | Nature of Allotment | Nature of Consideration | Total Consideration (In Rs.) |
|---|------------------------------|------------|---|-------------------------|-------------------------|------------------------------|
| 01-01-2024 | 60,00,000 | 10 | 10 | Subscription to the MoA | Cash | 6,00,00,000/- |
| 20.02.2024 | 13,87,627 | 10 | 33.33 | Private Placement | Cash | 4,62,49,608/- |
| 26.03.2024 | 37,503 | 10 | 33.33 | Private Placement | Cash | 12,49,975/- |
| 14.05.2024 | 2,60,756 | 10 | 33.33 | Right Issue | Cash | 86,90,997/- |
| 19.06.2024 | 1,67,176 | 10 | 33.33 | Right Issue | Cash | 55,71,976/- |
| 05.07.2024 | 3,90,077 | 10 | 33.33 | Right Issue | Cash | 130,01,266/- |
| TOTAL | 82,43,139 | | | | | 13,47,63,822/- |
| Weighted Average no. of Shares* | | | | | | 1,33,88,722 |
| Weighted Average Cost of Acquisition | | | | | | 10.07 |

*Includes the impact of Bonus Issue.

b) The price per share of our Company based on the secondary sale / acquisition of shares (equity shares)

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

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

| Types of transactions | Weighted average cost of acquisition (₹ per Equity Shares) | Floor price* (i.e. ₹ [●]) | Cap price* (i.e. ₹ [●]) |
|--|--|---------------------------|-------------------------|
| Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above. | 10.07 | [●] | [●] |
| Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above. | Nil | - | - |

* To be updated at Red Herring Prospectus stage.

This is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Hindi Edition of Regional newspaper [●] where the registered office of the company is situated each with wide

circulation.

The Price Band/ Floor Price/ Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above- mentioned information along with “*Our Business*”, “*Risk Factors*” and “*Restated Financial Statements*” on pages 165, 31 and 258 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “*Risk Factors*” or any other factors that may arise in the future and you may lose all or part of your investments.

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STATEMENT OF POSSIBLE TAX BENEFITS**Independent Auditor's Report on Statement of Special Tax Benefits**

To,
The Board of Directors
Amster Labs Limited
SCO 166-167, Level 1, Sector 9C, Madhya Marg
Chandigarh, 160009

Dear Sir,

Sub: Statement of possible Special tax benefit ('the Statement') available to M/s AMSTER LABS LIMITED and its shareholders prepared in accordance with the requirements under Schedule VI- Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')

We hereby confirm that there is no special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') as amended time to time, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, the Customs Act, 1962 and the Foreign Trade Policy 2015-2020, as amended by the Finance Act, 2023, i.e., applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25, presently in force in India for inclusion in the Draft Prospectus ("DP") / Prospectus for the proposed public offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"). **(Annexure is enclosed)**

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

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

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

Limitations

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

The enclosed Annexure is intended solely for your information and for inclusion in the Draft Prospectus / Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Signed in terms of our separate report of even date.

For Mittal Goel & Associates,

Chartered Accountants,

Sd/-

CA Sandeep Kumar Goel

Partner

Membership No: 099212

Place: Chandigarh

Date: 05.08.2024

Annexure to the statement of possible Tax Benefits

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 presently forced in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

1. Special Tax Benefits available to the Company under the Act:

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

2. Special Tax Benefits available to the shareholders of the Company

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

Notes:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to 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 any other person in respect of this statement.

Signed in terms of our separate report of even date.

For Mittal Goel & Associates,

Chartered Accountants

Sd/-

CA Sandeep Kumar Goel

Partner

Membership No: 099212

Place: Chandigarh

Date: 05.08.2024

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

GLOBAL ECONOMY AT LARGE

The global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, a Russian-initiated war on Ukraine that triggered a global energy and food crisis, and a considerable surge in inflation, followed by a globally synchronized monetary policy tightening.

Yet, despite many gloomy predictions, the world avoided a recession, the banking system proved largely resilient, and major emerging market economies did not suffer sudden stops. Moreover, the inflation surge—despite its severity and the associated cost-of living crisis—did not trigger uncontrolled wage-price spirals. Instead, almost as quickly as global inflation went up, it has been coming down.

On a year-over-year basis, global growth bottomed out at the end of 2022, at 2.3 percent, shortly after median headline inflation peaked at 9.4 percent. According to our latest projections, growth for 2024 and 2025 will hold steady around 3.2 percent, with median headline inflation declining from 2.8 percent at the end of 2024 to 2.4 percent at the end of 2025. Most indicators point to a soft landing.

Markets reacted exuberantly to the prospect of central banks exiting from tight monetary policy. Financial conditions eased, equity valuations soared, capital flows to most emerging market economies excluding China have been buoyant, and some low-income countries and frontier economies regained market access.

Even more encouraging, we now estimate that there will be less economic scarring from the pandemic—the projected drop in output relative to pre-pandemic projections—for most countries and regions, especially for emerging market economies, thanks in part to robust employment growth. Astonishingly, the US economy has already surged past its pre-pandemic trend.

Resilient growth and faster disinflation point toward favourable supply developments, including the fading of earlier energy price shocks, the striking rebound in labor supply supported by strong immigration flows in many advanced economies. Decisive monetary policy actions, as well as improved monetary policy frameworks, especially in emerging market economies, have helped anchor inflation expectations. However, the transmission of monetary policy may have been more muted this time around in countries such as the United States, where an increased share of fixed-rate mortgages and lower household debt levels since the global financial crisis may have limited the drag on aggregate demand up to now.

Despite these welcome developments, numerous challenges remain, and decisive actions are needed. First, while inflation trends are encouraging, we are not there yet. Somewhat worryingly, the most recent median headline and core inflation numbers are pushing upward. This could be

temporary, but there are reasons to remain vigilant. Most of the progress on inflation came from the decline in energy prices and goods inflation below its historical average. The latter has been helped by easing supply-chain frictions, as well as by the decline in Chinese export prices. But services inflation remains high—sometimes stubbornly so—and could derail the disinflation path. Bringing inflation down to target remains the priority.

Second, the global view can mask stark divergence across countries. The exceptional recent performance of the United States is certainly impressive and a major driver of global growth, but it reflects strong demand factors as well, including a fiscal stance that is out of line with long-term fiscal sustainability. This raises short-term risks to the disinflation process, as well as longer-term fiscal and financial stability risks for the global economy since it risks pushing up global funding costs. Something will have to give.

At the same time, many other large emerging market economies are performing strongly, sometimes even benefiting from a reconfiguration of global supply chains and rising trade tensions between China and the United States. These countries' footprint on the global economy is increasing, and they will play an ever-larger role in supporting global growth in years to come.



World Economic Outlook Growth Projections

| (Real GDP, annual percent change) | PROJECTIONS | | |
|--|-------------|------------|------------|
| | 2023 | 2024 | 2025 |
| World Output | 3.2 | 3.2 | 3.2 |
| Advanced Economies | 1.6 | 1.7 | 1.8 |
| United States | 2.5 | 2.7 | 1.9 |
| Euro Area | 0.4 | 0.8 | 1.5 |
| Germany | -0.3 | 0.2 | 1.3 |
| France | 0.9 | 0.7 | 1.4 |
| Italy | 0.9 | 0.7 | 0.7 |
| Spain | 2.5 | 1.9 | 2.1 |
| Japan | 1.9 | 0.9 | 1.0 |
| United Kingdom | 0.1 | 0.5 | 1.5 |
| Canada | 1.1 | 1.2 | 2.3 |
| Other Advanced Economies | 1.8 | 2.0 | 2.4 |
| Emerging Market and Developing Economies | 4.3 | 4.2 | 4.2 |
| Emerging and Developing Asia | 5.6 | 5.2 | 4.9 |
| China | 5.2 | 4.6 | 4.1 |
| India | 7.8 | 6.8 | 6.5 |
| Emerging and Developing Europe | 3.2 | 3.1 | 2.8 |
| Russia | 3.6 | 3.2 | 1.8 |
| Latin America and the Caribbean | 2.3 | 2.0 | 2.5 |
| Brazil | 2.9 | 2.2 | 2.1 |
| Mexico | 3.2 | 2.4 | 1.4 |
| Middle East and Central Asia | 2.0 | 2.8 | 4.2 |
| Saudi Arabia | -0.8 | 2.6 | 6.0 |
| Sub-Saharan Africa | 3.4 | 3.8 | 4.0 |
| Nigeria | 2.9 | 3.3 | 3.0 |
| South Africa | 0.6 | 0.9 | 1.2 |
| Memorandum | | | |
| Emerging Market and Middle-Income Economies | 4.4 | 4.1 | 4.1 |
| Low-Income Developing Countries | 4.0 | 4.7 | 5.2 |

Source: IMF, *World Economic Outlook*, April 2024

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2023/24 (starting in April 2023) shown in the 2023 column. India's growth projections are 6.9 percent in 2024 and 6.5 percent in 2025 based on calendar year.

Economic activity was surprisingly resilient through the global disinflation of 2022–23. As global inflation descended from its mid-2022 peak, economic activity grew steadily, defying warnings of stagflation and global recession. Growth in employment and incomes held steady, reflecting supportive demand developments—including greater-than-expected government spending and household consumption—and a supply-side expansion amid, notably, an unanticipated boost to labor force participation. The unexpected economic resilience, despite significant central bank interest rate hikes aimed at restoring price stability, also reflects the ability of households in major advanced economies to draw on substantial savings accumulated during the pandemic. In addition, as Chapter 2 explains, changes in mortgage and housing markets over the prepandemic decade of low interest rates moderated the near-term impact of policy rate hikes. As inflation converges toward target levels and central banks pivot toward policy easing in many economies, a tightening of fiscal policies aimed at curbing high government debt, with higher taxes and lower government spending, is expected to weigh on growth.

Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025. The forecast for 2024 is revised up by 0.1 percentage point from the January 2024 World Economic Outlook (WEO) Update, and by 0.3 percentage point from the October 2023 WEO. The pace of expansion is low by historical standards, owing to both near-term factors, such as still-high borrowing costs and withdrawal of fiscal support, and longer-term effects from the COVID-19 pandemic and Russia’s invasion of Ukraine; weak growth in productivity; and increasing geo economic fragmentation. Global headline inflation is expected to fall from an annual average of 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. The latest forecast for global growth five years from now—at 3.1 percent—is at its lowest in decades. The pace of convergence toward higher living standards for middle- and lower-income countries has slowed, implying a persistence in global economic disparities.

Further, the relatively weak medium-term outlook reflects lower growth in GDP per person stemming, notably, from persistent structural frictions preventing capital and labor from moving to productive firms. Prospects for growth in China and other large emerging market economies, given their increasing share of the global economy, will weigh on the prospects of trading partners.

Risks to the global outlook are now broadly balanced. On the downside, new price spikes stemming from geopolitical tensions, including those from the war in Ukraine and the conflict in Gaza and Israel, could, along with persistent core inflation where labor markets are still tight, raise interest rate expectations and reduce asset prices. A divergence in disinflation speeds among major economies could also cause currency movements that put financial sectors under pressure. High interest rates could have greater cooling effects than envisaged as fixed-rate mortgages reset and households contend with high debt, causing financial stress. In China, without a comprehensive response to the troubled property sector, growth could falter, hurting trading partners. Amid high government debt in many economies, a disruptive turn to tax hikes and spending cuts could weaken activity, erode confidence, and sap support for reform and spending to reduce risks from climate change. Geoeconomic fragmentation could intensify, with higher barriers to the flow of goods, capital, and people implying a supply-side slowdown. On the upside, looser fiscal policy than necessary and assumed in projections could raise economic activity in the short term, although risking more costly policy adjustment later on. Inflation could fall faster than expected amid further gains in labor force participation, allowing central banks to bring easing plans forward. Artificial intelligence and stronger structural reforms than anticipated could spur productivity.

As the global economy approaches a soft landing, the near-term priority for central banks is to ensure that inflation touches down smoothly, by neither easing policies prematurely nor delaying too long and causing target undershoots. At the same time, as central banks take a less restrictive stance, a renewed focus on implementing medium-term fiscal consolidation to rebuild room for budgetary maneuver and priority investments, and to ensure debt sustainability, is in order. Cross-country differences call for tailored policy responses. Intensifying supply-enhancing reforms would facilitate inflation and debt reduction, allow economies to increase growth toward the higher prepandemic era average, and accelerate convergence toward higher income levels. Multilateral cooperation is needed to limit the costs and risks of geoeconomic fragmentation and climate change, speed the transition to green energy, and facilitate debt restructuring.

Economic activity was surprisingly resilient during the global disinflation of 2022–23. Growth in employment and incomes has held steady as favorable demand and supply developments have supported major economies, despite rising central bank interest rates aimed at restoring price stability. As inflation converges toward target levels and central banks pivot toward policy easing, a tightening of fiscal policies aimed at curbing high government debt levels, with higher taxes and lower government spending, is expected to weigh on growth. The pace of expansion is also expected to remain low by historical standards as a result of factors including the long-term consequences of the COVID-19 pandemic, Russia’s invasion of Ukraine, weak growth in productivity, and increasing geoeconomic fragmentation. In late 2023, headline inflation neared its pre-pandemic level in most economies for the first time since the start of the global inflation surge. In the last quarter of 2023, headline inflation for advanced economies was 2.3 percent on a quarter-over-quarter annualized basis, down from a peak of 9.5 percent in the second quarter of 2022. For emerging market and developing economies, inflation was 9.9 percent in the last quarter of 2023, down from a peak of 13.7 percent in the first quarter of 2022, but this average was driven by high inflation in a few countries; for the median emerging market and developing economy, inflation declined to 3.9 percent. This progress notwithstanding, inflation is not yet at target in most economies.

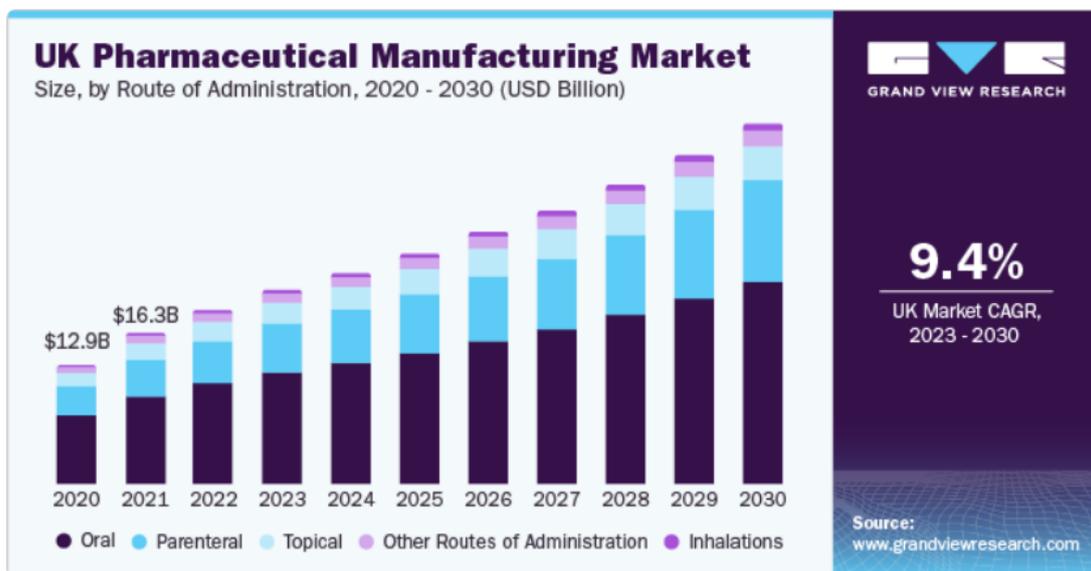
As global inflation descended from its peak, economic activity grew steadily, defying warnings of stagflation and global recession. During 2022 and 2023, global real GDP rose by a cumulative 6.7 percent. That is 0.8 percentage point higher than the forecasts made at the time of the October 2022 World Economic Outlook (WEO). The United States and several large emerging market and middle-income economies displayed the greatest overperformance, with aggregate demand supported by stronger-than-expected private consumption amid still-tight—though easing—labor markets. Households in advanced economies supported their spending by drawing down accumulated pandemic-era savings. Larger-than-expected government spending further supported the expansion of aggregate demand in most regions.

The overall budgetary stance—measured by the structural fiscal balance—was more expansionary than expected, on average. Among large economies, the additional budgetary support, compared with October 2022 WEO forecasts, was estimated at 2 percent of GDP in the United States and 0.2 percent of GDP in the euro area, whereas in China, the fiscal stance was mildly tighter than expected, by 0.7 percent of GDP. The euro area also displayed the smallest upside growth surprise, reflecting weak consumer sentiment and the lingering effects of high energy prices. In parallel, global headline inflation declined broadly in line with expectations, averaging just 0.1 percentage point more than predicted in the October 2022 WEO for 2022 and 2023. However, in lower-income countries, inflation was on average higher than expected, reflecting cases in which pass-through into domestic prices from international food, fuel, and fertilizer costs, as well as from currency depreciation, was greater than expected. Price pressures in some lower-income countries were significant. These factors also caused these economies to grow more slowly than expected, suggesting a negative supply shock. In China, inflation fell unexpectedly, with the decrease

reflecting sharply lower domestic food prices and pass-through effects on underlying (core) inflation. The resilience in global economic activity was compatible with falling inflation thanks to a postpandemic expansion on the supply side. A greater-than-expected rise in the labor force amid robust employment growth supported activity and disinflation in advanced economies and several large emerging market and middle-income economies.

GLOBAL PHARMACEUTICAL MARKET

The global pharmaceutical manufacturing market size was estimated at USD 516.48 billion in 2022 and is expected to grow at a compound annual growth rate (CAGR) of 7.63% from 2023 to 2030. The pharmaceutical industry has experienced a significant shift due to advancements in technology, cost-effective manufacturing methods, and increased investment. These factors have had a positive impact on market growth. The implementation of robotic technology and Artificial Intelligence (AI) has led to a reduction in manufacturing floor downtime and product waste. These technologies have improved efficiency and productivity in pharmaceutical manufacturing processes.



Moreover, the adoption of single-use disposable solutions has gained traction, replacing traditional open-transfer manufacturing methods. This shift has resulted in more streamlined operations and reduced contamination risks. Furthermore, there has been a transition toward integrated, smart, and data-rich paperless operations. This shift has led to error-free and precise production processes, ensuring high-quality pharmaceutical products. These ongoing developments in the industry have significantly contributed to advancements in drug manufacturing. Advancements in personalized medicine have revolutionized the healthcare industry, offering new avenues to target various health conditions and paving the way for patient-centric models.

As a result, there has been a shift from large-scale production to smaller batches to cater to the development of complex medicines and personalized treatments tailored to individual patients. This transformation has prompted pharmaceutical manufacturers to restructure their supply chains to align with the patient-centric healthcare system. The increasing number of drug approvals by regulatory bodies is expected to drive growth in drug manufacturing processes. In 2022, the FDA approved 37 novel drugs, indicating a positive trend.

In addition, the extensive number of ongoing clinical trials presents numerous opportunities for market expansion and innovation. Moreover, the pharmaceutical industry has witnessed a surge in mergers and acquisitions (M&As) in recent years. Established companies are engaging in consolidation strategies to strengthen their market position in the highly competitive environment. Simultaneously, small- to mid-sized pharmaceutical companies with innovative capabilities are being acquired by larger players. Furthermore, the implementation of stringent regulations to control pharmaceutical prices has further incentivized M&A activities within the industry.

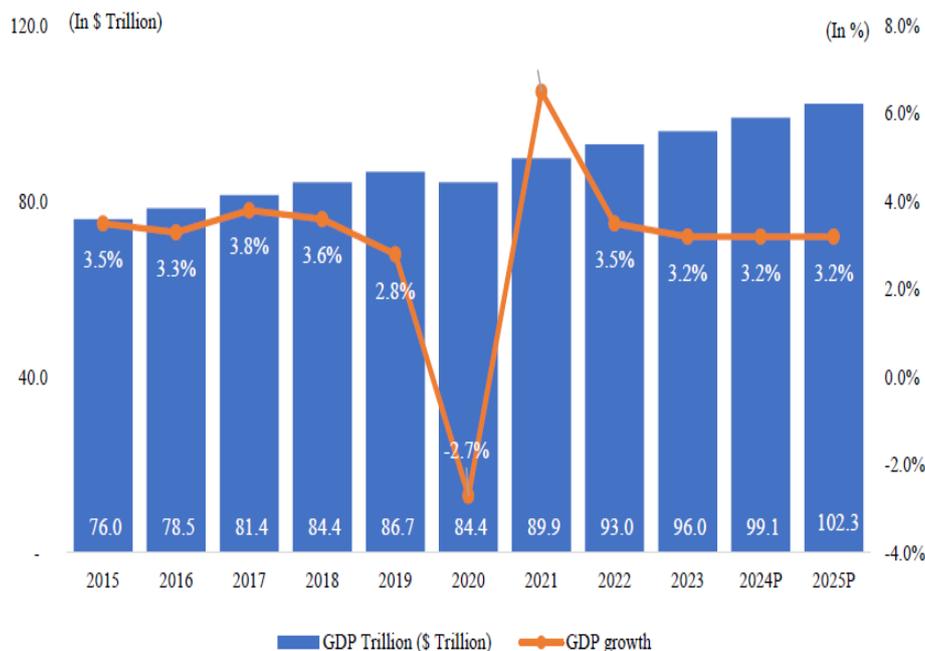
Global GDP is estimated to grow at 3.2% in Calendar Year 2024 and Calendar Year 2025 amid moderating inflation and steady growth in key economies

As per the International Monetary Fund’s (“IMF”) April 2024 update, global gross domestic product (“GDP”) growth is estimated at 3.2% for 2023 and projected to grow at the same rate in 2024, 2025 and 2026. The latest estimate for 2024 is 0.1 percentage points higher compared with IMF’s previous forecast in January 2024, mainly due to greater-than-expected resilience in the United States (“US”) and several large emerging markets and developing economies, as well as fiscal support in China. Emerging market and developing economies are also expected to experience stable growth through 2024 and 2025, with regional differences.

With disinflation and steady growth, the likelihood of a hard landing has receded, and risks to global growth are broadly balanced. Amid favourable global supply developments, inflation has been falling faster than expected.

On the upside, faster disinflation could lead to further easing of financial conditions. On the downside, new commodity price spikes from geopolitical shocks and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions. Property sector distress in China or, elsewhere, a disruptive turn to tax hikes and spending cuts could also lead to moderation in growth in the near term.

Global GDP trend and outlook (2018-2025P, US\$ trillion)



Pharmaceuticals – A Keyword

Pharmaceuticals enhance our quality of life; consequently, their consumption is growing as a result of the need to treat ageing-related and chronic diseases and changes in the clinical practice. The market revenues also show an historic growth worldwide motivated by the increase on the drug demand. However, this positivism on the market is fogged because the discharge of pharmaceuticals and their metabolites into the environment, including water, also increases due to their inappropriate management, treatment and disposal; now, worldwide, this fact is recognized as an environmental concern and human health risk. Intriguingly, researchers have studied the most effective methods for pharmaceutical removal in wastewater; however, the types of pharmaceuticals investigated in most of these studies do not reflect the most produced and consumed pharmaceuticals on the market. Hence, an attempt was done to analyze the pharmaceutical market, drugs consumption trends and the pharmaceutical research interests worldwide. Notwithstanding, the intensive research work done in different pharmaceutical research fronts such as disposal and fate, environmental impacts and concerns, human health risks, removal, degradation and development of treatment technologies, found that such research is not totally aligned with the market trends and consumption patterns. There are other drivers and interests that promote the pharmaceutical research. Thus, this review is an important contribution to those that are interested not only on the pharmaceutical market and drugs consumption, but also on the links, the drivers and interests that motivate and determine the research work on certain groups of pharmaceuticals on water and wastewater.

Pharmaceuticals are a group of emergent organic compounds that have contributed to enhance our quality of life. The pharmaceutical industry is responsible for the development, production, and marketing of branded and generic pharmaceuticals. In 2014, total pharmaceutical revenues worldwide exceeded 1 trillion United States dollars (USD) for the first time. The market has been growing at an annual rate of 5.8% since 2017. In 2017, worldwide pharmaceutical market revenue was USD 1143 billion and will reach 1462 billion USD in 2021 [1]. The largest fraction of these revenues corresponds to North America due to the leading role of the US pharmaceutical industry. However, during recent years, the Chinese pharmaceutical industry has shown the highest growth rates amongst countries worldwide. Several factors such as reduced taxes and lowered drug prices in the US, a gross domestic product growth greater than 6% in China and India, widespread population ageing and sedentary lifestyles leading to increase chronic disease, industrialized data services in research and development (R&D) enabling the use of clinical trial data in trial simulations, lowered regulatory barriers for new drugs in the US, and high urban pollution levels increasing the incidence of conditions such as asthma are driving healthcare market growth.

Source: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7967517/>

Empty Capsules Market Size, Share & Trends

The size of global empty capsules market in terms of revenue was estimated to be worth \$3.1 billion in 2024 and is poised to reach \$4.2 billion by 2029, growing at a CAGR of 6.3% from 2024 to 2029. The comprehensive research encompasses an exhaustive examination of industry trends, meticulous pricing analysis, patent scrutiny, insights derived from conferences and webinars, identification of key stakeholders, and a nuanced understanding of market purchasing dynamics.

The increasing demand for nutraceuticals and pharmaceuticals, coupled with a rise in clinical trials and research activities, fuels the need for empty capsules. Advancements in capsule delivery technologies enhance drug efficacy and patient compliance, driving market growth. Additionally,

the benefits of capsules over other dosage forms, such as ease of swallowing and precise dosing, contribute to their expanding usage.

ATTRACTIVE OPPORTUNITIES IN THE EMPTY CAPSULES MARKET

The growth of the Asia Pacific pharmacogenomics market is primarily due to the presence of a large base empty capsule manufacturers and generic drug manufacturers, and growth in Asian pharmaceutical markets.

Growth in this market is primarily driven by increasing demand for nutraceuticals, and advancements in capsule delivery technologies

Expansion of capsule production in emerging countries, and development of halal gelatin and vegetarian capsules are key areas of opportunity for players in this market.

ASIA PACIFIC

Cultural practices and dietary restrictions is expected to restrain market growth.

The Asia Pacific market is estimated to grow at the highest CAGR during the forecast period.

Fluctuating gelatin prices are significantly impacting the market due to the disparity between the demand and supply growth rates of gelatin. In the U.S., the gelatin market is projected to grow moderately at a CAGR of 3.3% from 2022 to 2026, while the demand for collagen, which heavily consumes gelatin, is expected to surge at a robust CAGR of 8.25%. This increased demand for collagen strains gelatin availability for other uses, including empty capsule production. Additionally, supply constraints, such as lower availability of raw materials like hides, bones, and pigskin, and reduced livestock slaughter volumes, exacerbate the situation. These factors create a significant barrier to the growth of the market.

In the market, raw material suppliers provide components like gelatin and HPMC, while product manufacturers produce the capsules, adhering to stringent quality and regulatory standards. End users in pharmaceuticals, nutraceuticals, cosmetics, and research sectors rely on these capsules for various applications. Regulatory authorities ensure safety and quality compliance to protect public health. Together, these stakeholders enable the efficient production, distribution, and utilization of empty capsules, supporting multiple industries and advancing global healthcare and research.

| MAJOR SEGMENTS | TYPE | FUNCTIONALITY | THERAPEUTIC APPLICATION | END USER | |
|----------------|-------------------------------|----------------------------|--------------------------------------|-------------------------|-----------------------|
| | GELATIN CAPSULES | IMMEDIATE-RELEASE CAPSULES | ANTIBIOTIC & ANTIBACTERIAL DRUGS | pharmaceutical industry | research laboratories |
| | PORCINE GELATIN | | DIETARY SUPPLEMENTS | | |
| | BOVINE-DERIVED GELATIN | | ANTACID & ANTIFLATULENT PREPARATIONS | | |
| | BONE MEAL | SUSTAINED-RELEASE CAPSULES | ANTI-ANEMIC PREPARATIONS | nutraceutical industry | cosmetic industry |
| | POULTRY GELATIN | | ANTI-INFLAMMATORY DRUGS | | |
| | FISH GELATIN | | CARDIOVASCULAR THERAPY DRUGS | | |
| | NON-GELATIN CAPSULES | DELAYED-RELEASE CAPSULES | COUGH & COLD DRUGS | | |
| | HYDROXYPROPYL METHYLCELLULOSE | | DIURETICS | | |
| | PULLULAN & STARCH | | | | |

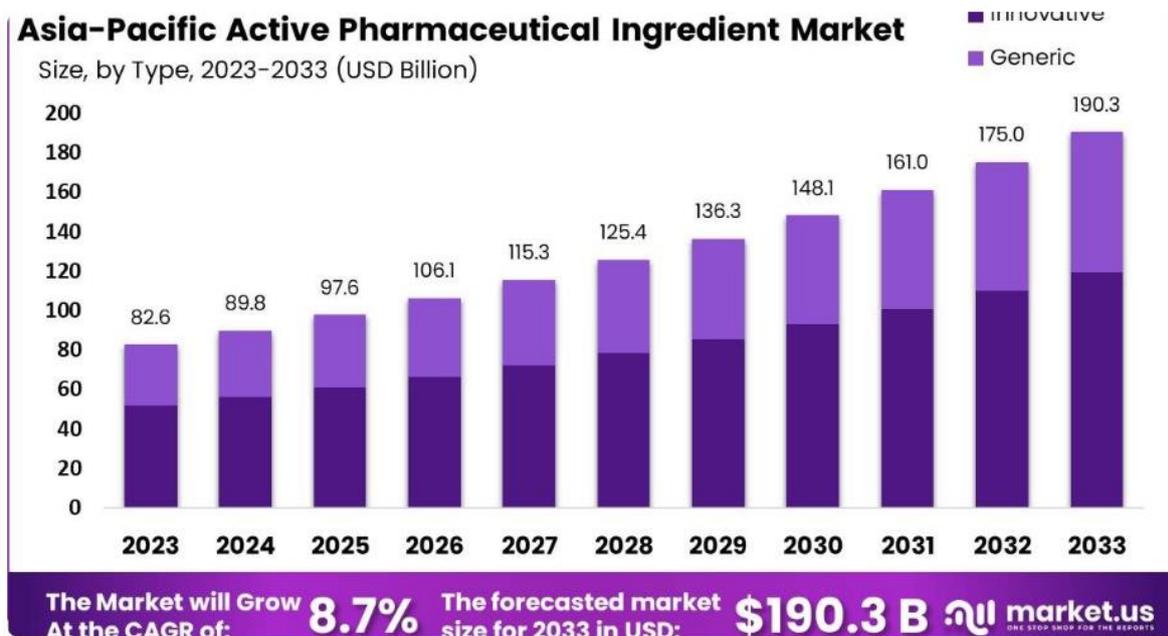
OVERVIEW OF ASIAN MARKET

Asia's Rise in The Global Pharma Industry

China, India, and other key markets in Asia have long been labeled as pharmerging, implying strong growth of underdeveloped markets from small bases. But that is no longer the case. Over the past decade, Asia has grown exponentially and is now at the very epicenter of the global pharma industry, driving growth, innovation, and future development.

In terms of market size and scale, China and Japan now stand as the second- and third-largest pharmaceutical markets in the world, respectively. China, in particular, has seen strong and consistent annual double-digit growth over the past decade, underpinned by ongoing infrastructure build-up, increasing healthcare spending and coverage, and an encouraging regulatory environment. India, Indonesia, Vietnam, and Thailand also show great potential, all with sizable populations and strong drivers.

Many multinational pharma manufacturers are seeing this first hand, as Asia contributes to an increasing portion of their global revenues and, more importantly, the bulk of their growth. For them, Asia typically accounted for 20% to 30% of their 2021 revenue, of which around half was from China.



Integrating into global ecosystem

Asia's importance goes beyond being a growth market, as it has become an integral part of the global pharma ecosystem. Markets such as Japan, Australia, and Singapore have long been considered more in sync with the global industry, and others are moving in that direction. Since China's ascension into the International Council for Harmonization of Technical Requirements for Pharmaceuticals for Human Use (ICH) in 2017, more than 220 innovative therapies have been approved, with the time lag between China approval and global first approval shortened significantly. This is notwithstanding new options through the Hainan and Greater Bay areas that afford earlier and faster access, as well as real-world evidence studies, which will, in turn, accelerate eventual new product approvals in China. In the first quarter of 2022, 18 novel drugs received marketing clearance in China, 12 of which are from overseas, including Paxlovid and abrocitinib from Pfizer, upadacitinib from AbbVie, and brigatinib from Takeda.

Asia is also becoming an important source of R&D innovation. While the US still accounts for around half of novel pipeline assets, Asia is closing ranks. According to Pharma projects, China is second only to the US, accounting for 14%, followed by Japan and Korea at around 5% each. In recent Nature Reviews Drug Discovery research, China boasted more than 2,000 investigational agents as of July 2021, of which 418 were first-in-class and 216 fall into the next-generation category; the latter includes cell and gene therapies, nucleic acid therapies, and approaches in proteolysis targeting chimera (PROTAC). Novel made-in-Asia therapies such as Brukinsa and Carvykti have made it to the global stage, and many more are at advanced stages—mostly via partnership and licensing deals with large pharmas. As Asia features distinct and sometimes unique disease epidemiology compared with Western markets and a vast population base—which could be an advantage for rare diseases research—its eminence as an epicenter for biopharma innovation and clinical research will only increase going forward.

Driving innovation

Asia markets typically feature distinct industry dynamics and a competitive landscape compared to those from the US and EU. In fact, the winning formula in Asia's pharma industry typically entails not just innovative portfolios and pipelines, but also creative market access approaches, effective stakeholder engagements, and innovative business models and go-to-market strategies.

Most notable among those is online healthcare services, which are becoming increasingly popular across Asia. Leading platforms such as JDHealth boast over 120 million active users for online consultations and pharmacies, as well as value-added services for patients, physicians, employers, and pharma companies. In India, Practo offers online consultations that provide access for rural populations, and in Indonesia, HaloDoc has gained momentum among both patients and physicians.

Source: https://cdn.sanity.io/files/0vv8moc6/pharmexec/962a81e49d72015d6afe8ae6a98ecc7796168572.pdf/PharmaceuticalExecutive_July2022_watermark.pdf

<https://www.pharmexec.com/view/asia-s-rise-in-the-global-pharma-industry>

In 2023, marked the start of Chinese innovative drugs expanding globally. Chinese pharmaceutical companies achieved record overseas authorizations, reaching new highs in total transactions, volume, and payments. The first half of 2023 alone saw 17 overseas projects, disclosing a total of \$14.3 billion USD, over three times that of the previous year. Amidst intense global pharmaceutical competition, License-out (overseas authorization) becomes crucial for Chinese innovative pharmaceutical companies to succeed internationally. Public data indicates that in 2023, the number of Chinese local pharmaceutical companies licensing out will surpass those licensing in for the first time

As globalization advances, Southeast Asia, with a population exceeding 600 million, emerges as a key market for the global pharmaceutical industry. SEA hosts numerous pharmaceutical companies, primarily engaged in generic drug production and industrial upgrading. The Chinese pharmaceutical industry's expertise in technology, R&D, and production complements the substantial demand and growth potential in the SEA market. Integrating Chinese funding and technology, particularly in biopharmaceuticals, can swiftly propel local industry development and generate systemic investment opportunities.

Market Research Institute International predicts an average annual compound growth of 5% – 8% in the pharmaceutical market from 2023 to 2027 in Southeast Asian countries, surpassing the 2.5%-5.5% in developed markets. The Southeast Asian market stands out as having the highest potential for global pharmaceutical development.

While pharmaceutical market demand in Southeast Asia is rapidly expanding, the local industry faces challenges due to limited independent R&D capabilities and a small number of companies. Local pharmaceutical companies in SEA fall into three categories: large multinational corporations, such as Novartis Group; large local enterprises limited to single-country development; and local or foreign manufacturing companies, with limited profitability and weak production technology (excluding biotechnology companies in Singapore).

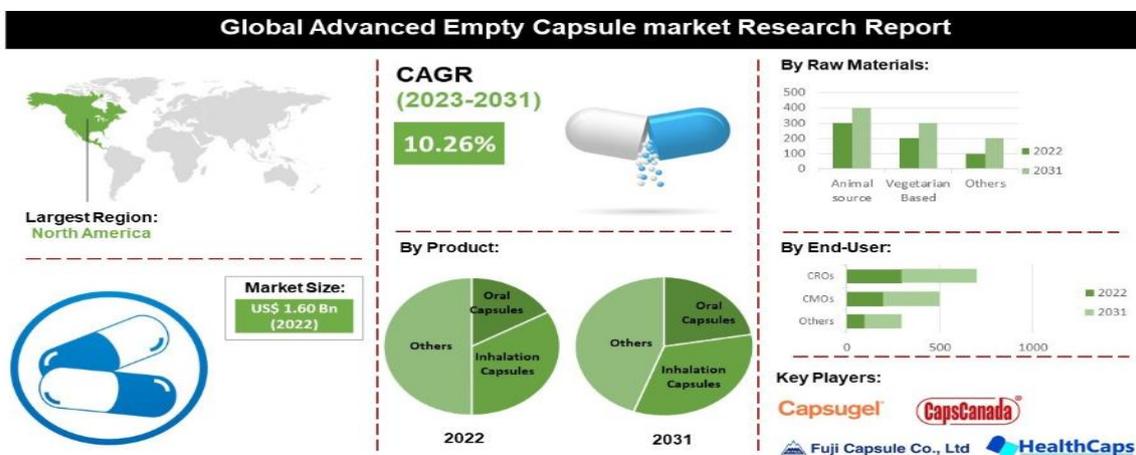
According to the latest research by InsightAce Analytic, the global Advanced Empty Capsule market will be valued at US\$ 1.60 Billion in 2022. It is expected to reach US\$ 3.81 Billion by 2031, with a CAGR of 10.26% during a forecast period of 2023-2031.

A stable shell encasing medication given to patients in various dose forms, such as granules and pellets, is referred to as an advanced empty capsule. They are offered commercially in two different varieties: gelatin-based and non-gelatin-based. The firm and soft gelatin capsules are an animal-based pharmaceutical with a high collagen content from pig meat, cattle, and chicken connective tissues. On the other hand, the vegetarian or non-gelatin capsule is made from a combination of starch and hydroxypropyl methylcellulose (HPMC). Various medications are delivered using advanced empty capsules without changing their formulation. These capsules provide optimum drug administration while preventing interference with any drug formulation.

The growing demand for customized capsules in the pharmaceutical and nutraceutical industries is driving market expansion. Rising demand for halal-certified products from Muslim-majority nations is driving demand for innovative empty capsules. In addition, pharmaceutical companies are increasing their demand for vegetarian-based capsules to reduce the production of gelatin-based capsules.

As a result, manufacturers are ramping up the production of vegetarian-based capsules. The increased usage of vitamin supplements in nations such as Russia, the United States, Germany, and the United Kingdom is enhancing the manufacturing of empty capsules. Research and development for drug delivery systems, as well as increased government initiatives, are boosting growth. Over the projected period, technological developments, favorable government legislation, and widespread use of oral capsules in pharmaceutical firms would broaden the growth potential for empty capsule producers.

Product innovation and new releases remain the market players' primary strategies. Key firms are spending on research & development to innovate products and generate money. However, the restricted availability of raw materials for empty manufacturing capsules is projected to restrain the Advanced Empty Capsule market in the coming years.



Source: *Insight Ace Analytic*

OVERVIEW OF INDIAN ECONOMY

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

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

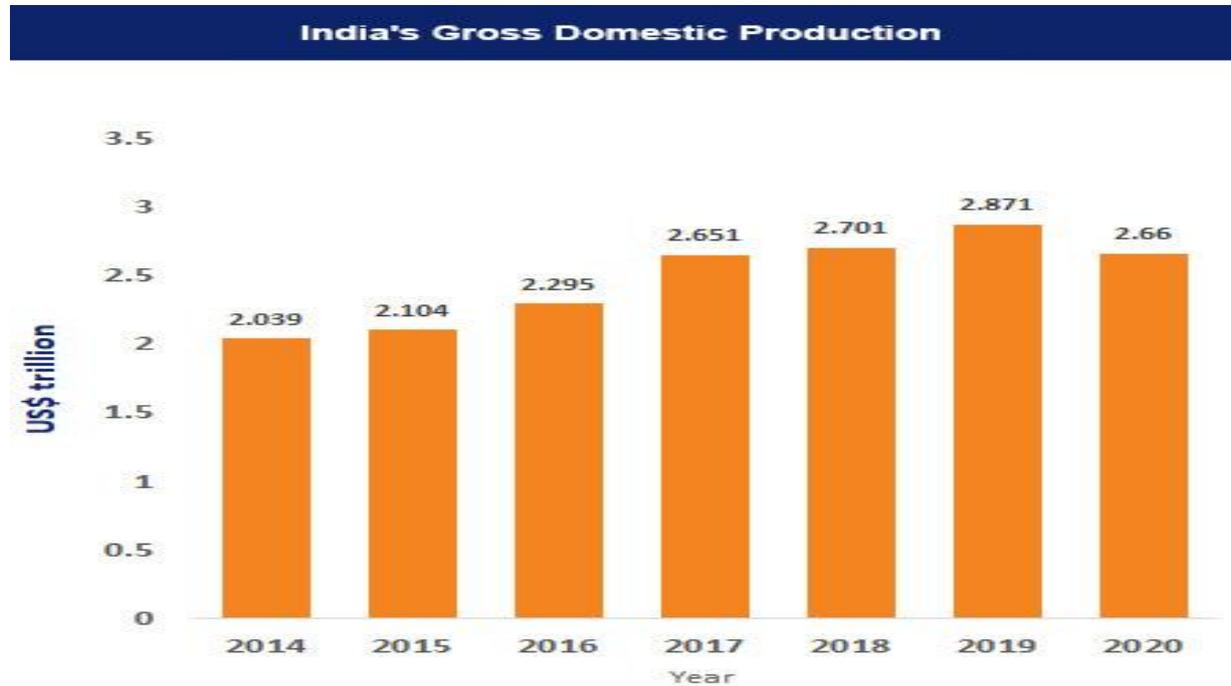
India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

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

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



India among the world's fastest-growing key economies

Following the recovery from the COVID-19 pandemic, India exhibited a faster growth rate of 7.2% in the Financial Year 2023, surpassing both advanced economies at 2.6% and emerging and developing economies at 4.1%. This trend is expected to continue, with India leading the growth compared to its key counterparts.

United States: In the United States, growth is projected to shift from 2.5% in 2023 to 2.7% in 2024 and 1.9% in 2025, with the lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labour markets slowing the aggregate demand.

United Kingdom: Growth in the United Kingdom is projected to rise modestly from an estimated 0.1% in 2023 to 0.5% in 2024, due to lagged negative effects of high energy prices wane. Then in 2025, as disinflation allows an easing in financial conditions and permits real incomes to recover, the economy is expected to see a growth of 1.5%.

Euro zone: Growth in the euro area is projected to recover from 0.4% in 2023, which reflected relatively high exposure to the war in Ukraine, to 0.8% in 2024 and 1.5% in 2025. As per IMF estimates, the growth in is driven by strong household consumption as the energy prices subside and inflation falls, supporting the real income growth. Further, in recent years, the EU technology industry has faced disruptions due to currency fluctuations on account of fall in Euro and Pound against US dollar impacting the imports coupled with Russia-Ukraine war disrupting the supply chains which further impacted the sector.

In terms of emerging and developing economies, growth is projected to be relatively stable at 4.2% in 2024 and 2025, respectively.

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

Indian Pharma Navigates Challenges, Sets Sights on 8% Export Surge

Synopsis

- The Indian pharmaceutical industry has demonstrated a Compounded Annual Growth Rate (CAGR) of approximately 8% from FY17 to FY23, resulting in a market size of approximately USD 50 billion. This growth is attributed to an 8% CAGR in domestic consumption and a 7% CAGR in exports during the same timeframe.
- The foreseeable future presents a promising outlook for the industry in exports market, characterised by increasing demand within both regulated and emerging pharmaceutical markets. Furthermore, the impending expiration of patents on certain drugs presents an opportunity for substantial export growth, anticipated to be around 8% during FY24 and FY25. This trajectory is expected to culminate in a market size of approximately USD 29 billion by FY25.
- Although regulatory concerns persist as a noteworthy point of vigilance, Indian pharmaceutical companies have proactively equipped themselves to address these challenges through the implementation of risk mitigation measures.
- Notably, Indian pharmaceutical companies have diligently constructed a robust Abbreviated New Drug Application (ANDA) product pipeline, securing an impressive 48% share of the total ANDA approvals granted by the United States Food and Drug Administration (USFDA) in CY22.
- The industry's growth is underpinned by several key drivers, including the patent cliff, targeted research and development efforts directed towards specialty products, an aging population, and the prevalence of lifestyle-related diseases.

Steady Growth Despite pain-points:

The Indian pharmaceutical sector holds a prominent global position, particularly in the generic drugs market, ranking as the third largest by volume and thirteenth by value. Over the period spanning FY17 to FY23, the industry, encompassing both domestic and export markets, achieved a notable CAGR of 8%. This growth was driven by a 7% increase in exports and an 8% rise in the domestic market during the same timeframe. Consequently, the Indian pharmaceutical industry expanded from approximately USD 34.7 billion in FY17 to reach approximately USD

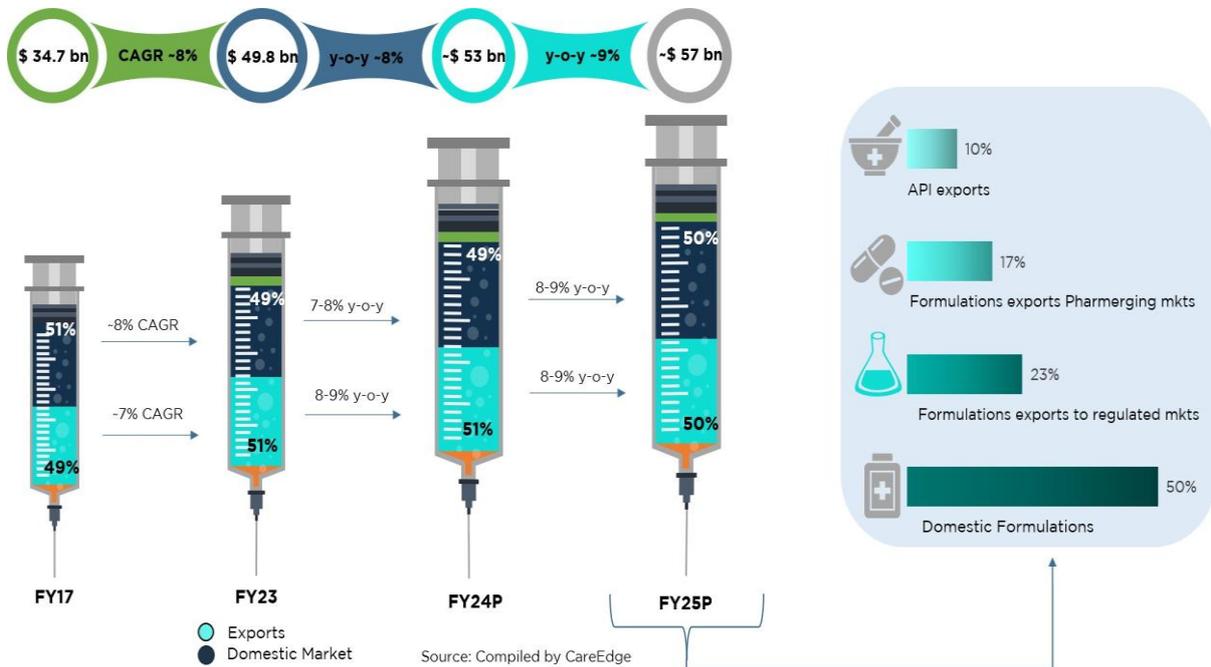
50 billion in FY23; and is envisaged to further increase to USD 57 billion by FY25. Globally, the Indian pharmaceutical industry has established a robust presence in the generics segment, with pharma exports and the domestic market contributing equally to its overall stature.

However, in FY23, the industry's growth rate moderated to approximately 5%. This deceleration can be attributed to pricing pressures experienced in export markets and the influence of a high base effect stemming from the preceding fiscal year, FY22.

Approximately 80–85% of pharmaceutical exports comprise formulation products, which exhibited a CAGR of approximately 7% during the period from FY17 to FY23. The growth in pharmaceutical exports during FY22 and FY23 experienced marginal increments, which in turn impacted the industry's CAGR over the FY17-FY23 period. While growth remained subdued in FY22 due to the high base effect from FY21, the growth in FY23 was influenced by pricing pressures in the US market and multilateral funding agencies continuing to emphasize COVID-related drugs.

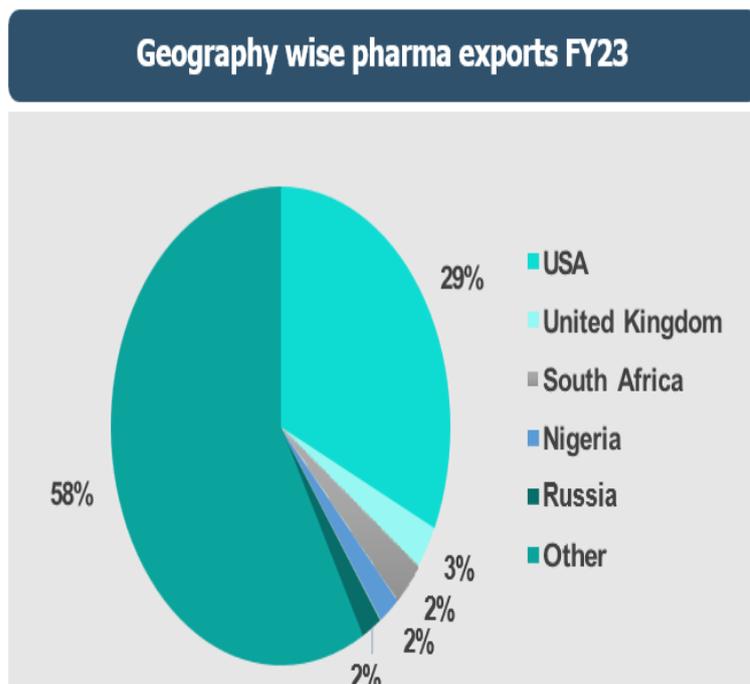
Concurrently, the domestic market demonstrated consistent growth in consumption, leading to a CAGR of approximately 8%. Looking ahead, CareEdge anticipates that domestic consumption will continue to grow, both in terms of value and volume, at a CAGR of

approximately 8% to 8.5% over the next two years. The upward price adjustments permitted for essential medicines under the National Essential List of Medicines (NELM) are expected to bolster domestic growth to a certain extent.



Regarding exports, CareEdge expects that the industry's increasing emphasis on the synthesis segment, complex and specialty products, coupled with easing of pricing pressures in the US generics market, is expected to provide support for medium-term growth. Further improved access to healthcare services is poised to drive higher growth in emerging markets. Nevertheless, any adverse actions by regulatory authorities would remain key monitorable

The United States accounts for approximately 40-45% of the global pharmaceutical market share, which underpins its significant prominence. Consequently, the presence of Indian pharmaceutical companies in the US market plays a pivotal role in their export strategies. This significance is underscored by the data illustrated in the righthand side pie chart, which reveals that nearly one-third of India's total exports originate from the US market, followed by the United Kingdom and South Africa.



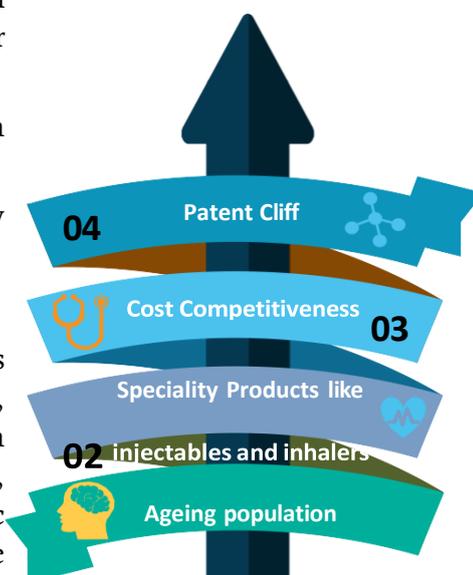
Key factors likely to turn the tide and lead the pharma exports growth

The export of pharma products are expected to rise gradually. CareEdge expects India's pharma export to grow at around 8% during the next two years i.e. till FY25 with major contribution coming from the generic formulations. Indian pharma companies are one of the cost-effective producers of generic formulations. Changing world demography wherein it is observed that larger number i.e. about 30-35% of population is expected to fall in the age range of 50 – 80 years, combined with lifestyle related diseases would benefit the growth of industry. Further, greater focus by top 20 pharma companies of India on R&D of complex and specialty generic and bio-similar products are expected to drive the export growth.

CareEdge expects the growth of formulations in regulated markets to be driven by 2 primary reasons:

- a. New product launches in complex generics, specialty chemicals and products going off-patent
- b. Abating of pricing pressure

While the growth in pharmerging formulations markets is expected on account of depreciating currency, however the growth prospects are also dependent upon availability of adequate forex reserves. Nevertheless, exploration of new markets or increase in generic penetration in existing markets is expected to drive the growth.

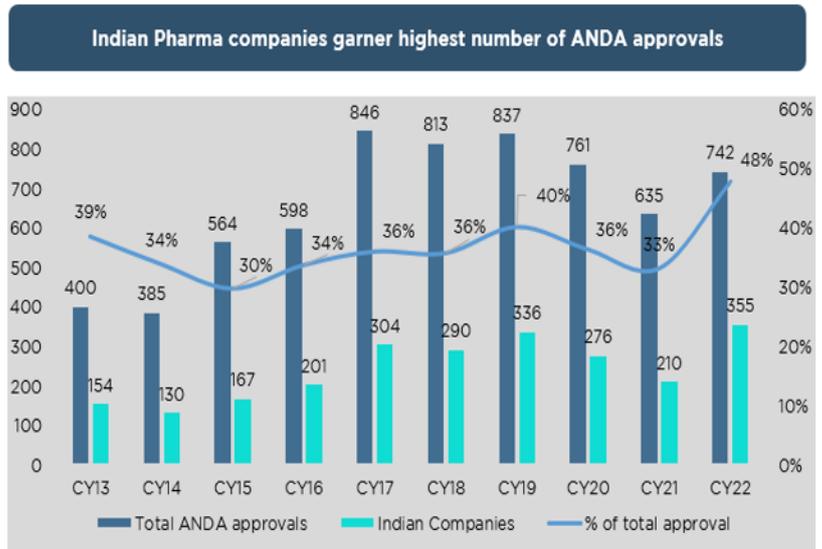


Bulk drugs contribute about 20% of exports and revival of exports from China or launch of price war by the Chinese bulk drug companies can pose significant downside risks for Indian bulk drug industry at least in the medium term. Nevertheless, CareEdge anticipates that the pharmaceutical industry will reap benefits in the medium term from contract manufacturing for global pharmaceutical players and the supply of bulk drugs for branded generics in regulated markets. Moreover, growth prospects will be bolstered by patent expirations in regulated markets, which pave the way for generic drug market entry. From CY2022 extending until CY2026, patented products with a cumulative value of USD 224 billion are set to lose their patent protection. This represents a substantial opportunity for Indian generic formulation companies, many of which are actively engaged in developing generic versions of these patented products to capitalize on this impending market opening. It is envisaged that Indian pharmaceutical firms may realize an opportunity in the range of USD 4-5 billion due to patent expirations within the next 3-4 years.

With promising opportunities emerging in developed markets, Indian generic formulation companies have been making strategic investments in their capabilities to develop complex and specialty drugs. Notably, the R&D expenses of the top 20 listed Indian pharmaceutical companies have consistently accounted for approximately 6% to 8% of their net sales over the past five years i.e. FY18-FY23. This trend is expected to persist at around 6.5% to 7% over the next two years as these companies maintain a robust product pipeline.

A significant portion of this product pipeline is geared towards the US and European markets, driven by the substantial opportunities in these regions. It is worth highlighting that India holds a prominent position in the realm of ANDA approvals granted by USFDA. As illustrated in the chart on the left-hand side, Indian pharmaceutical companies dominate the landscape of ANDA approvals.

India has consistently commanded a share of around 35-40% of total ANDA approvals over the past 8-9 years. In CY22, product approvals reached their zenith in terms of percentage, with Indian firms securing 48% of the approvals. India boasts the distinction of housing the largest number of USFDA-compliant pharmaceutical plants outside of the US. With this substantial USFDA-compliant infrastructure in place, India is poised to lead the way in harnessing the opportunities presented by the patent cliff in the US.



Navigating Regulatory Challenges for Uninterrupted Growth

In recent times, the USFDA has heightened its regulatory inspection rates of pharmaceutical manufacturing facilities. Over the past six months (January to June 2023), several Indian pharmaceutical companies have received Form 483 observations on their manufacturing facilities. The increasing frequency of audit observations by the USFDA impacts compliance costs and, consequently, adversely affects the profitability of the pharmaceutical sector. Any adverse observations from regulatory authorities can also lead to delays in launching new products or even disrupt current revenue streams, thus casting a shadow on their prospects, at least in the medium term. The ability of Indian pharmaceutical companies to navigate regulatory inspections successfully will be pivotal in shaping their future growth strategies and profit margins.

However, it is noteworthy that large pharmaceutical companies are taking proactive measures to mitigate regulatory risks. These measures include transferring production to compliant sites in cases where regulatory issues arise, filing ANDAs from two separate locations, or identifying contract manufacturers for outsourcing to reduce regulatory risk to some extent.

CareEdge Ratings View

“In light of the challenges that Indian pharmaceutical companies have encountered in their export endeavours, they are now strategically allocating their resources and efforts in R&D and marketing, exercising discernment to safeguard their returns and sustain a seamless growth trajectory. Notably, a significant portion of their R&D expenditure is directed towards specialized and intricate pharmaceuticals. Additionally, these companies are identifying opportunities in semi-regulated and unregulated markets to capitalise on. CareEdge anticipates that the overall share of ANDA approvals in the current fiscal year may decrease, as companies opt to file for select products with relatively longer market presence and higher profit margins. In a broader context, CareEdge foresees that several factors will drive pharmaceutical exports, including the patent cliff, the compelling cost competitiveness of Indian players, a strategic shift toward specialised and complex drugs, a growing proportion of the population entering advanced age groups, the escalating prevalence of lifestyle-related diseases, and support from multilateral funding agencies, particularly in unregulated markets. All these factors will enable the Indian pharmaceutical exports to grow by approximately 8% over the next two years,” D. Naveen Kumar, Associate Director at CareEdge Ratings.

RECENT DEVELOPMENTS



India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).

ROAD AHEAD

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.



India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

INDIAN PHARMACEUTICAL INDUSTRY



India is the largest provider of generic drugs globally and is known for its affordable vaccines and generic medications. The Indian Pharmaceutical industry is currently ranked third in pharmaceutical production by volume after evolving over time into a thriving industry growing at a CAGR of 9.43% since the past nine years. Generic drugs, over-the-counter medications, bulk drugs, vaccines, contract research & manufacturing, biosimilars, and biologics are some

of the major segments of the Indian pharma industry. India has highest number of pharmaceutical manufacturing facilities that comply with the US Food and Drug Administration (USFDA) and has 500 API producers that make for around 8% of the worldwide API market.

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

Presently, over 80% of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms. India is rightfully known as the "pharmacy of the world" due to the low cost and high quality of its medicines.

Indian pharmaceutical industry is known for its generic medicines and low-cost vaccines globally. Transformed over the years as a vibrant sector, presently Indian Pharma ranks third in pharmaceutical production by volume. The Pharmaceutical industry in India is the third largest in the world in terms of volume and 14th largest in terms of value. The Pharma sector currently contributes to around 1.72% of the country's GDP.

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

The Indian Pharmaceuticals industry plays a prominent role in the global pharmaceuticals industry.

Major segments of Indian Pharmaceutical Industry include generic drugs, OTC medicines, bulk drugs, vaccines, contract research & manufacturing, biosimilars and biologics. India is a global leader in the supply of DPT, BCG, and Measles vaccines.

India is one of the biggest suppliers of low-cost vaccines in the world. India accounts for 60% of global vaccine production, contributing up to 70% of the WHO demand for Diphtheria, Tetanus and Pertussis (DPT) and Bacillus Calmette–Guérin (BCG) vaccines, and 90% of the WHO demand for the measles vaccine.

The nation is the largest provider of generic medicines globally, occupying a 20% share in global supply by volume, and is the leading vaccine manufacturer globally. India also has the highest number of US-FDA compliant Pharma plants outside of USA and is home to

more than 3,000 pharma companies with a strong network of over 10,500 manufacturing facilities as well as a highly skilled resource pool.

There are 500 API manufacturers contributing about 8% in the global API Industry. India is the largest supplier of generic medicines. It manufactures about 60,000 different generic brands across 60 therapeutic categories and accounts for 20% of the global supply of generics. Access to affordable HIV treatment from India is one of the greatest success stories in medicine. Because of the low price and high quality, Indian medicines are preferred worldwide, making it “pharmacy of the world”.

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

Source: <https://pharmaceuticals.gov.in/sites/default/files/Annual%20Report%202022-23%20Final-3.pdf>



Source: <https://www.investindia.gov.in/team-india-blogs/pharmaceutical-sector-spotlight-driving-innovation-india>

India's pharmaceutical sector has emerged as a global leader in research and innovation, driven by a combination of a robust scientific and technological base, growing government support, a strong domestic market, and cost-competitive manufacturing.

The sector contributed nearly 1.32% of the Gross Value Added to the Indian Economy in 2020-21. The total annual turnover of Pharmaceuticals in the fiscal year 2021-22 was \$42.34 Bn. Major segments of the Indian Pharmaceutical Industry include generic drugs, OTC medicines, bulk drugs, vaccines, contract research & manufacturing, biosimilars and biologics.

The Economic Survey 2022-23 mentions that India is ranked 3rd worldwide in the production of pharma products by volume and 14th by value. India is the largest provider of generic medicines globally, occupying a 20% share in global supply by volume, and is also the leading vaccine manufacturer globally with a market share of 60%, contributing 40 to 70% of the WHO demand for Diphtheria, Tetanus and Pertussis (DPT) and Bacillus Calmette–Guérin (BCG) vaccines and 90% of the WHO demand for the measles vaccine. There are 500 API manufacturers contributing about 8% of the global API Industry. India is the largest supplier of generic medicines. It manufactures about 60,000 different generic brands across 60 therapeutic categories and accounts for 20% of the global supply of generics. Access to affordable HIV treatment from India is one of the greatest success stories in medicine. Because of the low price and high quality, Indian medicines are preferred worldwide, making it the pharmacy of the world.



alamy

Image ID: 2C87NBE
www.alamy.com

From FY18 to FY22, the Indian pharmaceutical industry logged an average growth rate of 9.47% to \$42.34 Bn, primarily driven by an increase in exports and a rise in the domestic market. It is expected that the Pharma sector is likely to reach \$65 Bn industry by 2024 and \$120 Bn by 2030. To sustain growth in the sector, the government has taken many steps to further research and innovation.

Vision Pharma 2047: By the year 2047, the Government aims to accomplish the following goals:

- Make India a global leader in the manufacturing of affordable, innovative & quality pharmaceuticals & medical devices for the goal of Vasudhaiva Kutumbakam.
- Vishwaguru in innovation & Research for delivering health care products to future generations in a sustainable manner, introducing natural products
- Ensure accessibility & affordability of patient-centric products for better healthcare outcomes for universal health coverage by building upon partnerships across industry, science and governments
- Contribute to the Health System to attain a union of equity, efficacy, and efficiency towards developing a holistic products profile with a focus on NCDs, AMR, and rare & neglected diseases
- Create equilibrium between social, economic, & governance aspects through facilitative, balanced & progressive policy and regulatory framework
- Reduce India's carbon footprint in Pharma-MedTech to align with Hon'ble PM's vision of Panchamrita
- Identifying critical suppliers, de-risking & decarbonising the supply chain, and promoting local sourcing
- Medical Devices to be an integral part of global supply chains for raw materials, components, spare parts, assemblies/subassemblies, etc.
- Digitisation and technology upgradation in the delivery of services & products under Jan Aushadhi Pariyojana

National Pharmaceutical Policy (2023): Aligned with Vision 2047, the policy is being drafted to serve as a comprehensive framework to address the challenges faced by Indian Pharmaceutical industries and provide definitive policy interventions to enhance the collective ecosystem. The draft policy encompasses five key pillars: Fostering Global Pharmaceutical Leadership, Promoting Self-Reliance, Advancing Health Equity and accessibility, Enhancing Regulatory Efficiency in the Indian Pharmaceutical Sector and Attracting investments.

Liberalised Foreign Direct Investment (FDI) Limit: The Government has allowed up to 100% FDI through the automatic route for Greenfield investments and up to 74% for Brownfield investments. As a result of these policies, the sector has attracted 3% of the total FDI equity inflow, worth over \$21.5 Bn since April 2000.

Scheme for Strengthening of Pharmaceuticals Industry (2022): The scheme, launched with a total financial outlay of INR 500 Cr until FY 2025-26, to strengthen the existing pharmaceutical clusters' capacity by creating common facilities; to facilitate MSMEs of a proven track record to meet regulatory standards; and to facilitate growth and development of Pharmaceutical and Medical Devices Sectors.

Scheme for Promotion of Bulk Drug Parks (2020): The scheme boosts domestic manufacturing of identified KSMs, Drug Intermediates and APIs by attracting large investments in the sector. Financial assistance, up to INR 1000 Cr, will be provided for the creation of common infrastructure facilities in three Bulk Drug Parks selected in Gujarat, Himachal Pradesh, and Andhra Pradesh.

Scheme for Human Resource Development in the Medical Device Sector (2023): The scheme was launched with a vision to bridge the gap between industry and academia, provide a skilled workforce to the industry and help in developing a research & development ecosystem for the medical device sector by training around 5,400 students over a period of 3 years. The scheme aims to fulfil the objectives of the Medical Device Policy, which include reaching a \$50 Bn market size by 2030 and reducing India's dependence on imported high-end medical devices.

Scheme for Promotion of Research and Innovation in Pharma MedTech Sector (PRIP): The scheme, launched in 2023 with a financial outlay of INR 5000 Cr until FY 2027-28, aims to transform the Indian Pharma MedTech sector from cost-based to innovation-based growth by promoting industry-academia linkage for R&D in priority areas. The scheme envisages the establishment of specialised Centres of Excellence at all seven National Institute of Pharmaceutical Education & Research (NIPERs) and the provision of funding for R&D in six priority areas.

Production Linked Incentive (PLI) schemes: To revive the country's manufacturing sector during the COVID-19 pandemic, the Government launched Production Linked Incentive Schemes, with an outlay of INR 1.97 Lakh Cr, targeting 14 critical sectors. These schemes were aimed towards making domestic manufacturing globally competitive and creating domestic leaders in manufacturing. The PLI schemes relevant to pharma sector are as follows:

- **PLI for Pharmaceuticals:** The scheme was launched, with an outlay of INR 15,000 Cr until FY 2027-28, to boost India's manufacturing capabilities by increasing investment and production in the sector and contributing to product diversification to high-value goods. The scheme provisions rate of incentives between 3% to 10% on incremental sales (over the base year of FY 2019-20) of pharmaceutical goods covered. So far, 55 companies have been approved under the scheme.
- **PLI for Promoting Domestic Manufacturing of Medical Devices:** The scheme, with an outlay of INR 3420 Cr till FY 2027-28, is being provided for the creation of common testing and laboratory facilities/centres in four Medical Device Parks. This initiative, providing financial incentives at the rate of 5% of incremental sales,

will reduce manufacturing costs significantly and will help create a robust ecosystem for medical device manufacturing in the country. The scheme targets:

1. Cancer care/Radiotherapy medical devices
2. Radiology & Imaging medical devices and Nuclear Imaging Devices
3. Anaesthetics and cardio-respiratory medical devices, including Catheters of Cardio-respiratory Category and renal Care Medical Devices
4. All Implants, including implantable electronic devices

In total, 21 applicants have been approved under the scheme.

- **Production Linked Incentive (PLI) Scheme for Promotion of Domestic Manufacturing of Critical Key Starting Materials (KSMs)/ Drug Intermediates and Active Pharmaceutical Ingredients (APIs) in the Country:** The scheme, with an outlay of INR 6,940 Cr for six years until FY 2029-30, was formulated to provide financial incentives of 5% to 20% over base year. The scheme is aimed at attaining self-reliance and reducing import dependence in 53 critical KSMs/Dis/APIs. So far, 48 companies have been selected under the scheme.

Due to the PLI scheme, the sector witnessed a 46% increase in FDI inflows from FY 2021-22 to FY 2022-23 and a significant reduction in imports of raw materials in the pharma sector.

Other initiatives:

Biotechnology Industry Research Assistance Council (BIRAC), a Section-8 company of the Department of Biotechnology, has facilitated the implementation of R&D projects for drug discovery in the areas of TB, Anti- Microbial Resistance (AMR), Diabetes, Cancer, Rare Diseases, etc., through various schemes like Biotechnology Ignition Grant, Small Business Innovation Research Initiative, Biotechnology Industry Partnership Programme etc. It also supports bio-incubation centres in the pharmaceutical sector through BioNEST and EYUVA schemes. Over the past five years, 17 pharmaceutical products or technologies have been developed, transferred, or commercialised under these schemes.

CSIR- Central Drug Research Institute: A premier drug research centre, the institute primarily works in the area of malaria, leishmaniasis, AMR and bone health.

The Government of India has adopted a multipronged approach by involving industry and academia, creating infrastructure, etc., to further research and innovation in the pharma sector. The above-mentioned policies are helping to create an environment that is conducive to innovation in the pharmaceutical sector.

India's pharmaceutical sector is well-positioned to continue to be a leader in research and innovation in the years to come. The country's strong scientific and technological base, growing government support, and large domestic market will continue to drive innovation. In addition, India's cost-competitive manufacturing capabilities will make it an attractive location for global pharmaceutical companies to conduct R&D.

Source: <https://www.investindia.gov.in/team-india-blogs/pharmaceutical-sector-spotlight-driving-innovation-india>

MAJOR ADVANTAGES IN INDIA

Cost Efficiency

India has emerged as the medical tourism hub of the world providing cost-effective treatments with the latest technology enabled by several pathbreaking reforms and provisions.

Access to affordable HIV treatment from India is one of the greatest success stories in medicine. India is one of the biggest suppliers of low-cost vaccines in the world.

Because of the low price and high quality, Indian medicines are preferred worldwide, thereby rightly making the country the 'Pharmacy of the World'.

India has been traditionally quite strong in the pharma sector, with a low cost of manufacturing (30%–35% lower than in the US and Europe), cost-efficient R&D (about 87% less than in developed markets), and cheap skilled labour.

Economic Drivers

On December 21, 2020, MoU was signed between Tata Memorial Centre of India and Vietnam National Cancer Hospital to promote exchanges in the areas of training and scientific research, health care services, collaboration in diagnosis and treatment for cancer patients.

and treatment for cancer patients. The total market size of the Indian Pharma Industry is expected to reach US\$ 130 billion by 2030 and US\$ 450 billion market by 2047.

The domestic pharmaceutical industry would likely reach US\$ 57 billion by FY25 and see an increase in operating margins of 100-150 basis points (bps).

India has the largest number of USFDA-compliant pharmaceutical plants outside the US and over 2,000 WHO-GMP approved facilities, serving demand from 150+ countries worldwide, with 10,500+ manufacturing facilities.

Policy Support

*The Ministry's scheme "Strengthening of Pharmaceutical Industry (SPI)" with a total financial outlay of Rs. 500 crore (US\$ 60.9 million) extends support required to existing pharma clusters and MSMEs across the country to improve their productivity, quality and sustainability.

*The Government has set a target to increase the number of Pradhan Mantri Bhartiya Jan Aushadhi Kendras to 10,500 by March 2025. The product basket of PMBJP comprises 1,451 drugs and 240 surgical instruments.

*The Union Cabinet, on April 26, 2023, approved the National Medical Devices Policy, 2023, which is expected to facilitate the growth of the medical device sector to meet the public health objectives of access, affordability, quality, and innovation.

*The PLI scheme for pharmaceuticals is being implemented with a total outlay of the Rs. 15,000 crore (US\$ 2.04 billion) spanning from 2020-21 to 2028-29, to boost India's manufacturing capacity, elevate investment, and diversify product offerings in the sector.

Increasing Investment

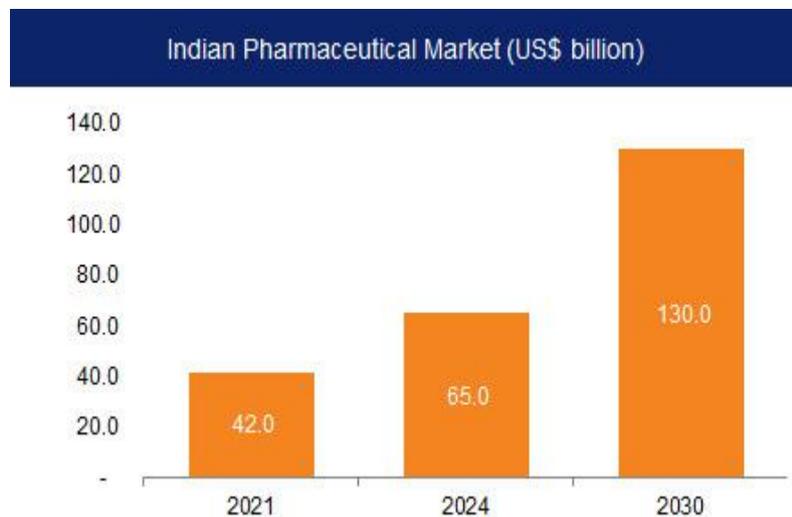
Up to 100%, FDI has been allowed through automatic route for Greenfield pharmaceuticals projects. For Brownfield pharmaceuticals projects, FDI allowed is up to 74% through automatic route and beyond that through government approval.

The cumulative FDI equity inflow in the Drugs and Pharmaceuticals industry is US\$ 22.52 billion during the period April 2000-March 2024, almost 3.4% of the total inflow received across sectors.

Indian pharma companies have a substantial share in the prescription market in the US and EU. The largest number of FDA-approved plants outside the US is in India.

In the Interim Budget 2024-25, the government earmarked Rs. 1,000 crore (US\$ 120 million) for the promotion of bulk drug parks for FY25, a significant increase from the previous year.

MARKET SIZE



Market size of India pharmaceuticals industry is expected to reach US\$ 65 billion by 2024, ~US\$ 130 billion by 2030 and US\$ 450 billion market by 2047. According to the government data, the Indian pharmaceutical industry is worth approximately US\$ 50 billion with over US\$ 25 billion of the value coming from exports. About 20% of the global exports in generic drugs are met by India.

Indian hospital market valued at US\$ 98.98 billion in FY23 and projected to grow by 8% CAGR and reached to US\$ 193.59 billion by FY32.

India is among the top 12 destinations for biotechnology worldwide and 3rd largest destination for biotechnology in Asia Pacific. The country holds 3-5% of the global biotechnology industry pie. In 2022, India's bioeconomy was valued at US\$ 137 billion, and aims to achieve US\$ 300 billion mark by 2030.

During FY18 to FY23, the Indian pharmaceutical industry logged a compound annual growth rate (CAGR) of 6-8%, primarily driven by an 8% increase in exports and a 6% rise in the domestic market.

The Indian pharmaceutical industry has seen a massive expansion over the last few years and is expected to reach about 13% of the size of the global pharma market while enhancing its quality, affordability, and innovation.

The biosimilars market in India is estimated to grow at a compounded annual growth rate (CAGR) of 22% to become US\$ 12 billion by 2025. This would represent almost 20% of the total pharmaceutical market in India.

India is the 3rd largest producer of API accounting for an 8% share of the Global API Industry. About 500+ different APIs are manufactured in India, and it contributes 57% of APIs to prequalified list of the WHO.

The current market size of the medical devices sector in India is estimated to be US\$ 11 billion and its share in the global medical device market is estimated to be 1.5%. The government has set ambitious target to boost the medical devices industry in India, aiming to elevate it from its current US\$ 11 billion valuation to US\$ 50 billion by 2030.

The domestic pharmaceutical sector expects sales to grow 8-10% in the financial year 2023-24, indicated an analysis done by CRISIL, a global analytical research and rating agency.

Indian pharma companies have a substantial share in the prescription market in the US and EU. The largest number of FDA-approved plants outside the US is in India.

According to the Indian Economic Survey 2021, the domestic market is expected to grow 3x in the next decade. India's domestic pharmaceutical market stood at US\$ 42 billion in 2021 and is likely to reach US\$ 65 billion by 2024 and further expand to reach US\$ 120-130 billion by 2030. India's biotechnology industry comprises biopharmaceuticals, bio-services, bio-agriculture, bio-industry, and bioinformatics. The Indian biotechnology industry was valued at US\$ 70.2 billion in 2020 and is expected to reach US\$ 150 billion by 2025. India's medical devices market stood at US\$ 10.36 billion in FY20. The market is expected to increase at a CAGR of 37% from 2020 to 2025 to reach US\$ 50 billion. The Indian pharmaceuticals industry is expected to grow 9-11% in the financial year 2024, as per ICRA.

In the global pharmaceuticals sector, India is a significant and rising player. India is the world's largest supplier of generic medications, accounting for 20% of the worldwide supply by volume and supplying about 60% of the global vaccination demand. The Indian pharmaceutical sector is worth US\$ 42 billion worldwide. In FY23, the Indian pharma market saw a year-on-year growth of nearly 5%, reaching US\$ 49.78 billion. During FY18 to FY23, the Indian pharmaceutical industry logged a compound annual growth rate (CAGR) of 6-8%, primarily driven by an 8% increase in exports and a 6% rise in the domestic market.

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

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Red Herring Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 31 for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 258 and 310 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.

BACKGROUND OF COMPANY

Our company was originally formed as a sole proprietorship under the name and style of “Udai Gas & Electrical Appliances” and pursuant to a partnership deed dated September 17th, 2014 between Mr. Uttamjit Singh, Mr Anil Anand, and Mr Rakesh Narang, was converted into a partnership firm, having its principal place of business at Khasra no. 45 & 46, Village Papoli (Ambota), Parwanoo, Distt. Solan (HP) 173220, on the terms and conditions contained in the said partnership deed.

Furthermore, the partnership deed was reconstituted on September 30, 2014 following the retirement of Mr. Rakesh Narang, resulting in a change to the profit and loss sharing ratio. Subsequently, w.e.f. October 20, 2024 with a deed dated November 3, 2014, the partnership's name and business focus were changed to "M/s Amster Labs," to manufacture and trade in soft gels and other cosmetic, and nutraceutical products. This change included the induction of Mr. Rajinder Kumar Raheja and Mr. Amit Gupta as partners, which was registered with the Sub Registrar, Baddi, District Solan (H.P.), under reference no. 111/2014.

In 2018, Amster Labs acquired M/s Navdeep Bioceuticals, a proprietorship, through a one-time settlement with Indian Overseas Bank for an auction price of Rs. 4.05 Crore. This acquisition was intended to expand into the Pharma Formulation Division.

On November 19, 2020, the partnership deed was again reconstituted due to the death of Mr. Anil Anand. Ms. Meena Anand w/o Lt. Mr. Anil Anand, joined the partnership. This change was registered with the Sub Registrar, Baddi, District Solan (H.P.), under reference no. 338/2020.

On October 1, 2023, the partnership deed was reconstituted with the induction of Mr. Bharminder Kaur Sabharwal, Mr. Satyan Anand, Mr. Rishabh Raheja, as new partners, resulting in a revised profit and loss sharing ratio.

Further, on November 28, 2023, Amster Labs purchased entire Assets and Liabilities of Sukhmani Prints & Packs and Uniroyal Biotech, Partnership Firms.

Furthermore, the Partnership Firm was converted into Public Limited Company “Amster Labs Limited” on January 01, 2024, pursuant to Part I of Chapter XXI of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U21001CH2024PLC045445.

BUSINESS OVERVIEW

Our Company is engaged in the business of manufacturing and distribution of pharmaceutical products. We manufacture products for certain third parties who market them under their own brands for already approved products. Under this model of contract manufacturing, the client retains ownership of the

relevant medical data as well as intellectual property and marketing rights of a product, while we retain the manufacturing right in respect to drug samples & specifications till the expiry of drug. The Company operates by the means of purchase orders received from its client/customers.

Our company offers a diverse range of pharmaceutical products, including ethical drugs, generic medications, and over-the-counter (OTC) solutions. Our extensive portfolio features Softgel Capsules, Herbal Soft Gelatin Capsules, Carotenoids Soft Gelatin Capsules, Calcitriol Soft Gelatin Capsules, Oil Soft Gel Capsules, and more. Additionally, we specialize in pharmaceutical formulations such as General & Beta Lactam Tablets, oral syrups, ointments and dry & powder injections. These formulations support a variety of medical treatments, including anti-diabetic therapies, analgesics, antibiotics, calcium supplements, and vitamin supplements.

We have two manufacturing units situated in Baddi, Distt. Solan, Himachal Pradesh. The total area occupied by our manufacturing facilities expands for more than 75,000 Sq. ft. Our registered office is located at Chandigarh, India. Our Company holds ISO Certificates 9001:2015 and ISO 10002:2018 to ensure quality of manufacturing products.

Our Company hold Drug License Certificates such as for Softgel vertical products, GMP, GLP, Hormone and Natural Code certification from Health & Family Welfare Department, Himachal Pradesh and FSAAI certification from Government for India. For Pharma formulation vertical company possess certification from WHO, GMP and GLP certification from Health & Family Welfare Department, Himachal Pradesh.

Our product mix has evolved with the growth of the enterprises over the past several years as we entered new market and catered to new product demands.

Further, in the international market, we started with exports through trade houses to non-regulated countries. Currently, we export to non-regulated countries either through direct exports or exports through trade houses.

BUSINESS LICENSE/CERTIFICATES

| Sr. No. | Authorization Granted | Issuing Authority | Registration No./ Reference No./ License No. | Date of Issue | Valid Upto |
|---------|---|--|--|---------------|--------------------------|
| 1. | Udyog Aadhaar Registration Certificate (MSME) | Ministry of Micro, Small, & Medium Enterprises | UDYAM-CH-01-0035348 | 11.01.2024 | Valid until cancellation |
| 2. | Employees' Provident Fund Organisation | Ministry of Labour and Employment | PBCHD3169725000 | 02.01.2024 | Valid until cancellation |
| 3. | Employees State Insurance Corporation | Ministry of Labour and Employment | 17000666920000999 | 02.01.2024 | Valid until cancellation |
| 4. | Registration and License to Work a Factory | Himachal Pradesh Government | L&E(FAC)9-2021169-2816 | 30.08.2022 | 31.12.2025 |

| | | | | | |
|-----|---|--|------------------------------------|------------|------------|
| 5. | Registration and License to Work a Factory | Himachal Pradesh Government | L&E(FAC)9-2017253-2257 | 20.09.2017 | 31.12.2024 |
| 6. | No Objection Certificate (Fire Department) | Himachal Pradesh Government | Application No. App/04/04/23/8/259 | 13.04.2023 | 12.04.2025 |
| 7. | No Objection Certificate (Fire Department) | Himachal Pradesh Government | Application No. App/10/07/23/8/307 | 16.10.2023 | 15.10.2025 |
| 8. | Drug License (Form 25) | Health & Family Welfare Department, Himachal Pradesh | MNB/19/1064 | 08.04.2024 | Perpetual |
| 9. | Drug License (Form 28) | Health & Family Welfare Department, Himachal Pradesh | MB/19/1065 | 08.04.2024 | Perpetual |
| 10. | FSSAI License | Government of India | 10240408105858928 | 13.04.2024 | Perpetual |
| 11. | Consent under Section-25 of Water (Prevention and Control of Pollution) Act, 1974 | Himachal Pradesh State Pollution Control Board | HP011531992 | 01.04.2021 | 31.03.2026 |
| 12. | ISO 10002:2018 | International Standard Registrations | ISO/CSCM/B2156 | 15.04.2024 | 14.04.2027 |
| 13. | ISO 9001:2015 | Magnitude Management Services Private Limited | 24MEQRF62 | 15.04.2024 | 14.04.2027 |
| 14. | Registration – Cum - Membership Certificate | Pharmaceuticals Export Promotion Council of India | 2215001666 | 02.05.2024 | 01.01.2024 |
| 15. | Importer-Expoter Code | Ministry of Commerce and Industry | 2215001666 | 24/06/2015 | Perpetual |
| 16. | Goods and Services Tax Identification Number | Government of India | 04AAZCA9289M1ZJ | 24/05/2024 | Perpetual |
| 17. | Shop and Commercial Establishments | Chandigarh Administration | PSCEA/2024/01159 | 22/08/2024 | Perpetual |

| | | | | | |
|-----|------------------------------|-----------------------|------------|------------|-----------|
| 18. | Tax Deduction Account Number | Income Tax Department | PTLA21656F | 02/01/2024 | Perpetual |
|-----|------------------------------|-----------------------|------------|------------|-----------|

Note: Some of the above licenses and certificates are in the name of the firm and an application for their conversion/ renewal has been filed by the company.

For other certificates & details, please refer page no. 328 of this draft red herring prospectus.

ACHIEVEMENTS OF THE COMPANY



The company participated in PHARMAB2B EXPO, sponsored by FOPE, in February, 2024 held in Indore, India. The platform is an interface between various domains of the pharmaceutical industry.



The company participated in the Pharma Expo 2024 held in Bangalore. This platform aims to provide an opportunity for entrepreneurs to expand their business by creating a network between various pharma industries

OUR COMPANY’S VISION AND MISSION

| Vision: | Mission: |
|--|--|
| <ul style="list-style-type: none"> ➤ To become one of the top Pharmaceutical Companies in India providing the best quality products while building and serving the potential customer base. ➤ To enter the advanced markets of the world with a sustained presence over the long term. ➤ To serve the ailing human beings with quality medicines at affordable prices by the continuously upgrading systems, technology, knowledge for excellent productivity and quality. ➤ To work towards human welfare by manufacturing and delivering innovative products for their health and wellness. ➤ To work consistently in reducing environmental stress as we grow our business | <ul style="list-style-type: none"> ➤ To strengthen its foothold in the pharmaceutical industry as well as thriving to achieve and expand domestic presence of its products. ➤ Manufacturing quality products while upholding its quality, affordability, and commitments towards society. ➤ To discover, develop and trade pharmaceutical products to prevent, diagnose, alleviate and cure disease. ➤ To work and manufacture in alignment with our consumers’ changing wants and needs. ➤ To develop and execute innovative ways of productions at each stage of the development of our products. |

MAJOR EVENTS AND MILESTONES

| YEAR | EVENTS |
|------|---|
| 2014 | Constituted as Partnership firm as “M/s Amster Labs” |
| 2018 | Amster Labs acquired M/s Navdeep Bioceuticals a proprietorship, to expand into the Pharma Formulation Division. |
| 2018 | Commencement of our second unit Amster Labs, with its comprehensive range of <ul style="list-style-type: none"> • Tablets • Capsule • Syrups • Ointments & Creams |
| 2023 | Introduction of comprehensive range of dry and liquid injections. |
| 2024 | Introduction of a new specialty division focusing on EFFERVESCENT TABLETS. Amster Labs has taken over entire Assets and Liabilities of Sukhmani Prints & Packs and Uniroyal Biotech. Both partnership firms. |
| 2024 | Partnership firm converted into Company with the name of Amster Labs Limited and Company got certificate from Registrar of Companies, Central Registration Centre, Chandigarh. |

RAW MATERIALS

Our company has sourced the raw materials from Domestic sources. The list of raw materials is as follows:

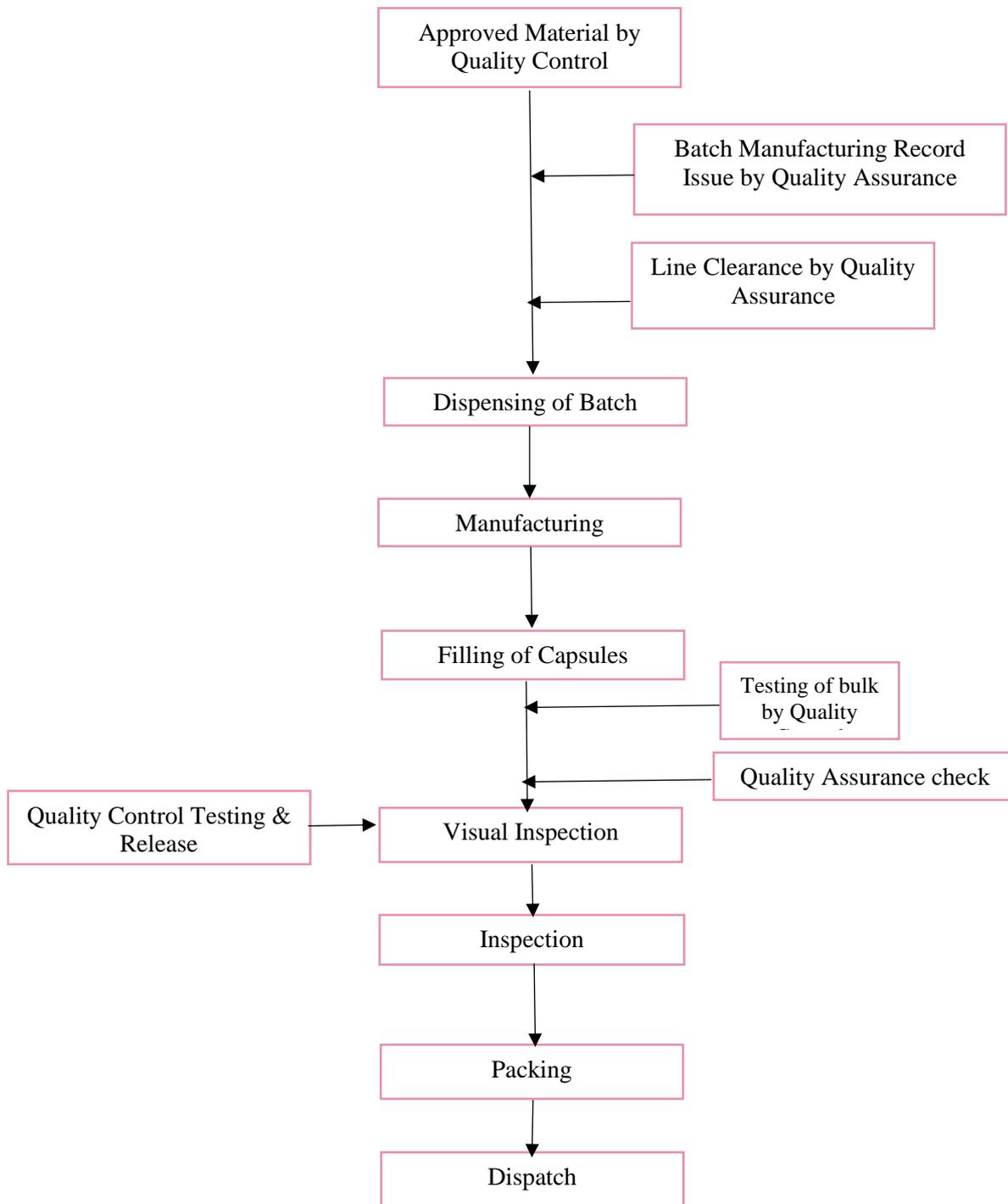
| |
|--|
| Pyridoxine Hydrochloride (Vitamine B6) IP/EP |
| Cholecalciferol |
| Calcium Carbonate IP/BP/USP |
| Thamine Mononitrate |
| Riboflavin IP |
| Progesterone IP (Micronised) |
| Tolperisone Hydrochloride JP |
| Sulbactam Sodium USP/I P |
| Bromelain |
| Ceftriaxone Sodium Sterile IP |
| Piperacillin and Tazobactam |
| Luliconazole |
| Cefoperazone Sodium |

The Company carefully assess the reliability of all materials purchased to ensure that the regulatory and legal requirements are complied with, and they comply with the all quality and safety standards required for our products. We work closely with our suppliers to help ensure availability and continuity of supply while maintaining quality and reliability and identifying any potential for improvement.

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

PROCESS FLOW CHART

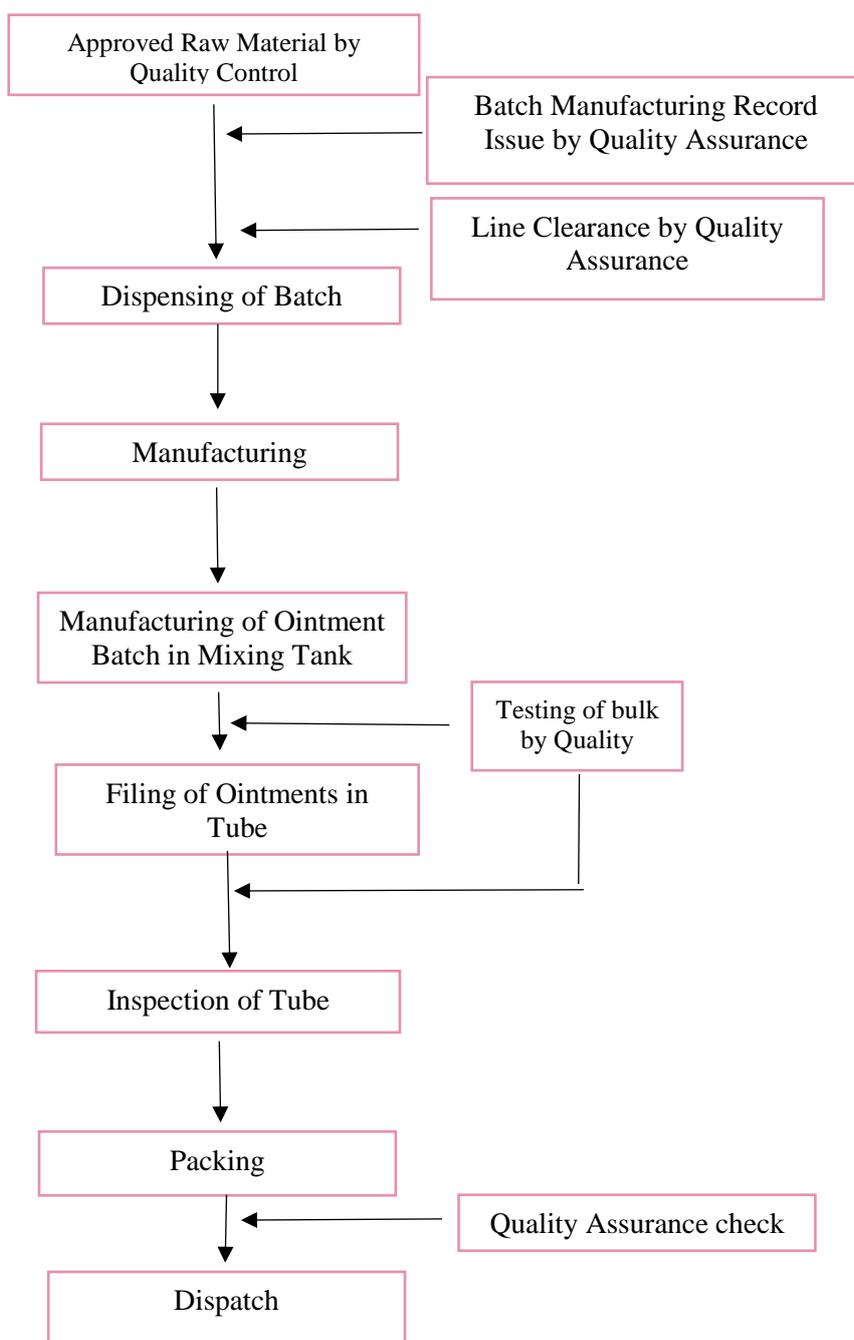
Process Flow Chart of Capsules



CAPSULES

Our Company has automatic capsule filling machine which is suitable for filling powders and pellets. The machine is functional in use as they have capabilities for output and over rules handy operations. Capsule fillers are used to fill gelatin with pre determined quantity powders and pellets. Capsules are normally fed into the machine, the filler then align, opens and accurately fills each capsule and recloses. Fillers generate minimum dust with lowest level of product loss. Non-separated, double loaded capsules and improperly inserted capsules are automatically rejected by machines to maintain the consistency in the quality of product. Most capsule fillers are characterized with fast changeover time to accommodate a variety of capsules in terms of shapes and size. These machines require minimal maintenance and are easy to clean. Also, the installation of speed adjusting equipment and automatic counters ensures the right quantity of capsules being filled and packed.

Process Flow Chart of External Preparation & Ointment



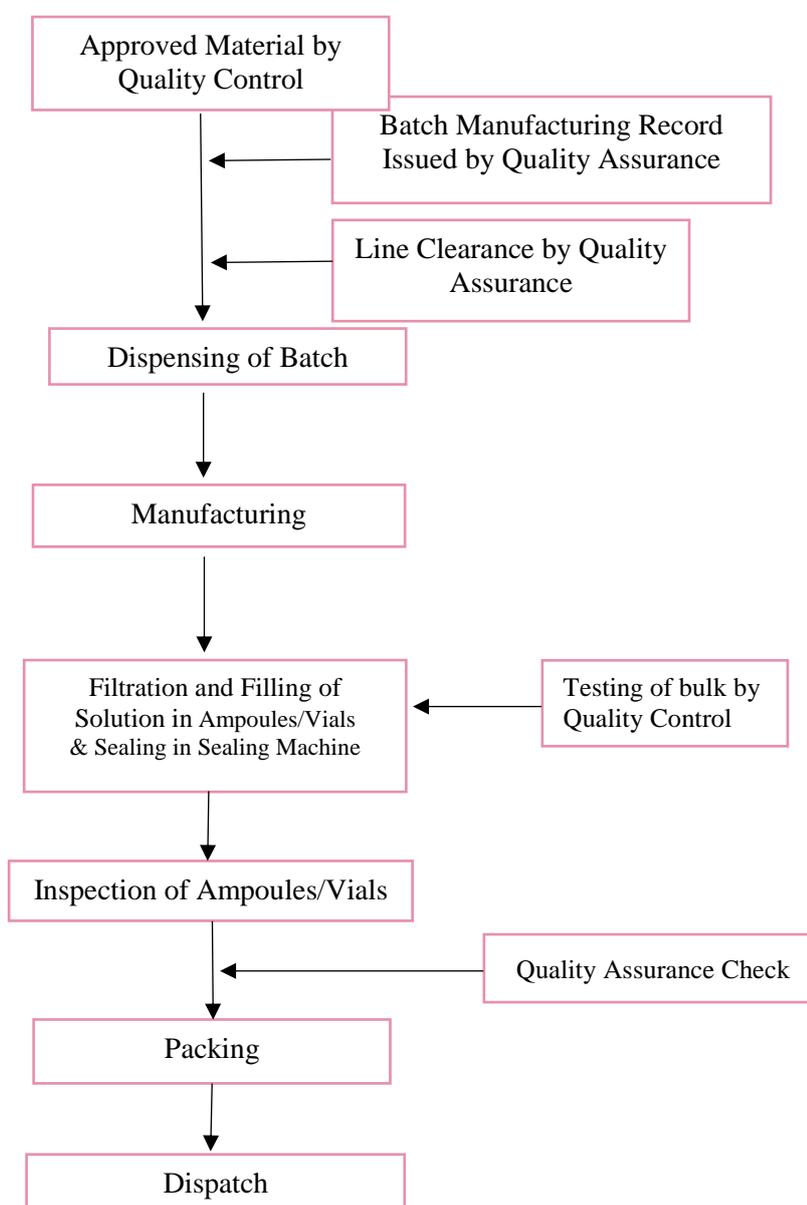
OINTMENT:

First of all, the Line clearance is must from QA department in order to start the production. The QA department observes all tanks of process and storage physically and washing is performed, and sample of Rinse water is sent from each and every machine in order to check the residue of the old batches. After getting the clearance from the QC that the machines are clean ready to use, the QA department provides the batch Process clearance form the next batch.

All the Approved raw material are issued from the Raw material Stores are Sieved in the process section with the requisite Mesh sizes and then the same is collected in the Bin to transfer in the process area. The Raw materials and excipients are dissolved, melted or heated as per process and added to the tanks as per BMR. Now pH is observed after final volume is performed and QC sample is sent for analysis Bulk.

The Filling is performed after receiving the QC result. The filling of the Ointment and Cream in requisite container or tube is done as per the BCR. Now the Filled Jars & Tubes are kept in Quarantine until final result from QC is received. After receiving the QC clearance, the Tubes and jar are sent to BSR for sales.

Process Flow Chart of Injectables



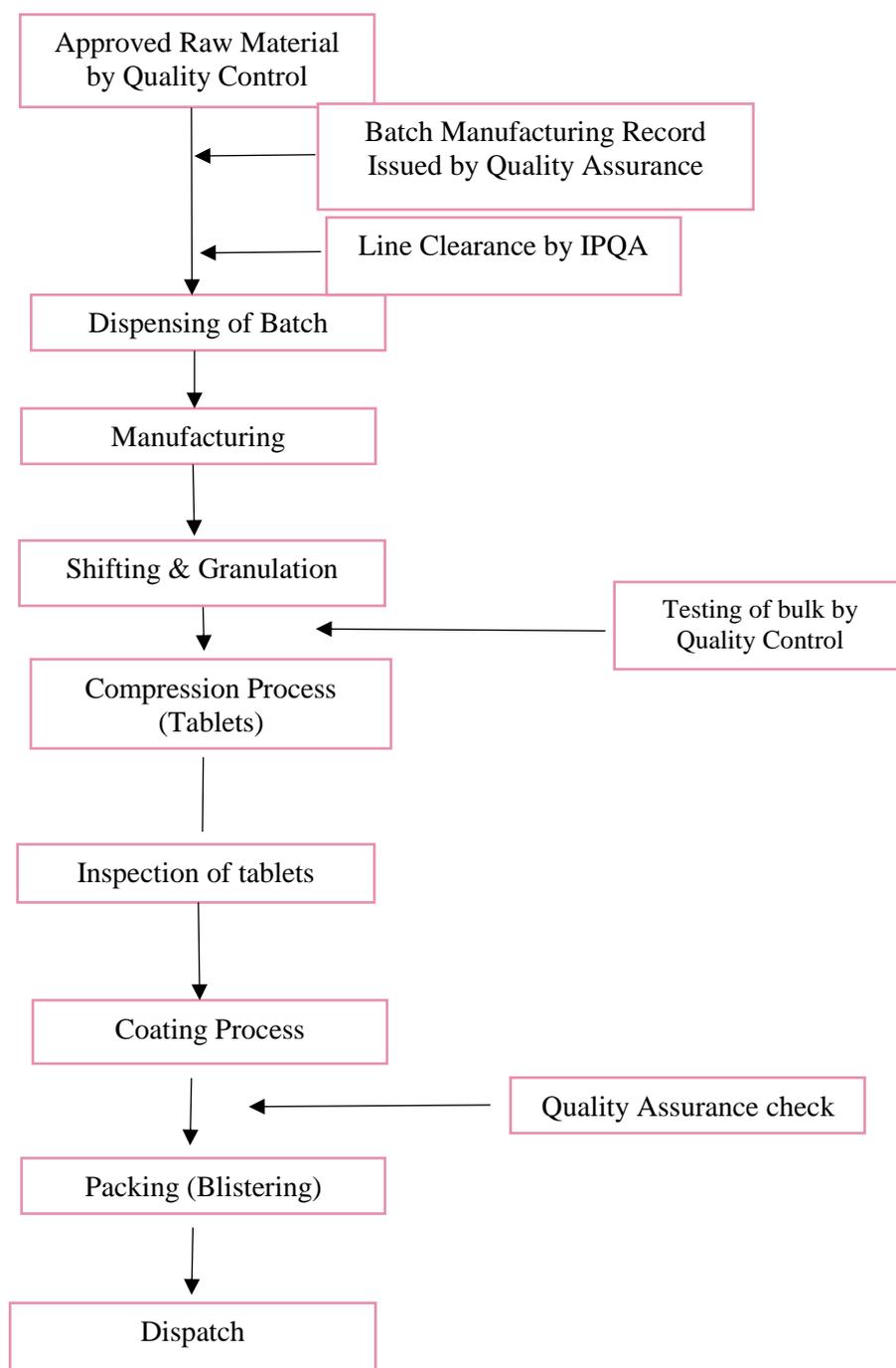
INJECTABLES

Prior to initiating production, it is imperative to obtain line clearance from the Quality Assurance (QA) department. This clearance entails a thorough physical examination of all machines involved in the process, accompanied by a washing procedure. Rinse water samples are meticulously collected from machine to assess any residues from prior batches. Upon receiving clearance from the Quality Control (QC) department, confirming the cleanliness and readiness of the machines, the QA department issues the necessary clearance for the next batch. Active pharmaceutical ingredient (API) approved for use are sourced from the Raw Material Stores. API is dissolved into water for injection (WFI), Here, the product solution is compounded and stored in a tank that is disconnected from other process units. Batch or Continuous operation modes are considered for compounding units.

The inlet feed and dissolution are performed continuously, and the outlet flow is directly connected to the sterile filtration

The filtered drug product is transferred into sterile vials or syringes using a filling machine that prevents any exposure to the environment. The vials or syringes are sealed with sterile stoppers and caps using a capping machine that applies the right amount of pressure and torque. The finished product is inspected for any defects, such as cracks, leaks, discoloration, or foreign particles. Any defective units are rejected and discarded. The product is labelled with the necessary information, such as the name, batch number, expiration date, and storage conditions of the drug. The product is packed in suitable containers, such as cartons or boxes, that protect it from light, moisture, and damage during transportation and storage.

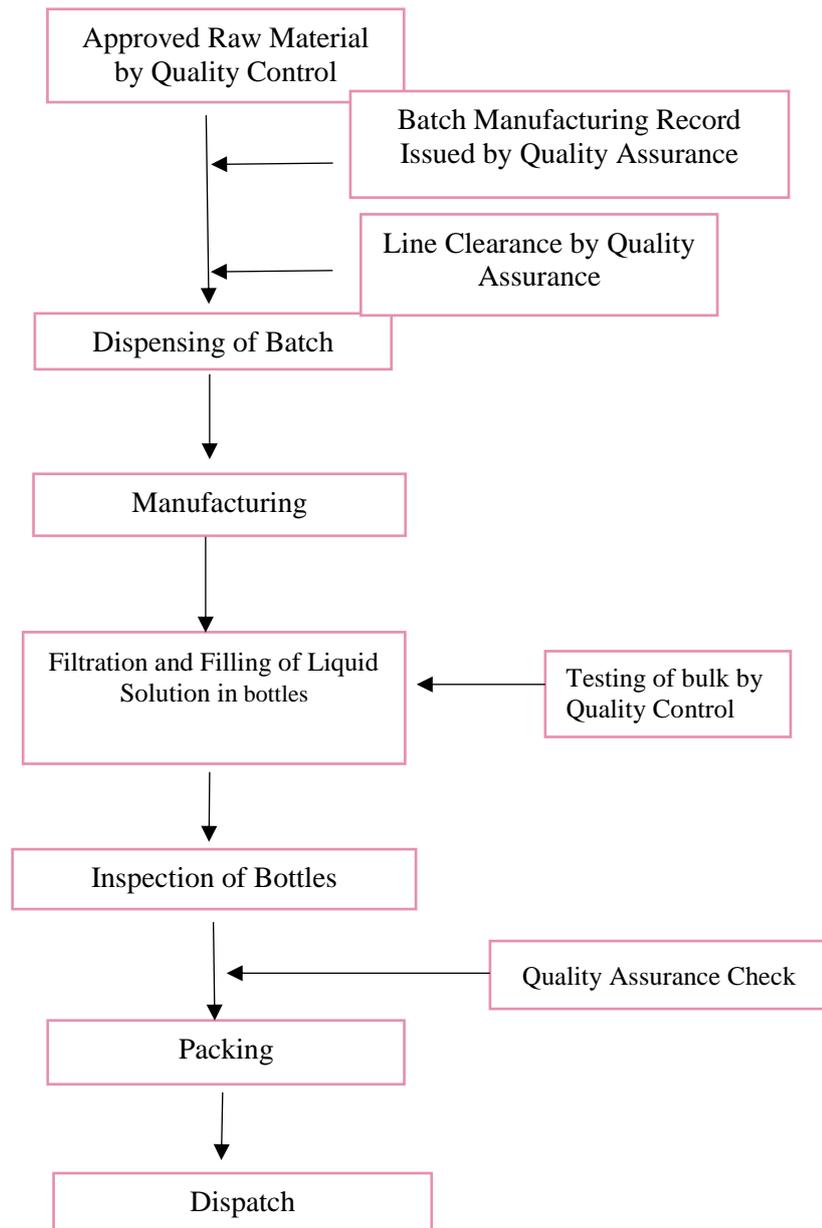
Process Flow Chart of Tablet Section



TABLET:

The manufacture of tablets is a complex multi-stage process under which the materials change their physical characteristics a number of times before the final dosage form is produced. The tablets are made by granulation; wet granulation and dry granulation. Regardless of whether tablets are made by direct compression or granulation, the steps of milling and mixing, is the same. Numerous unit processes are involved in making tablets, including particle size reduction and sizing, blending, granulation, drying, compaction, and (frequently) coating. Various factors associated with these processes can seriously affect content uniformity, bioavailability or stability.

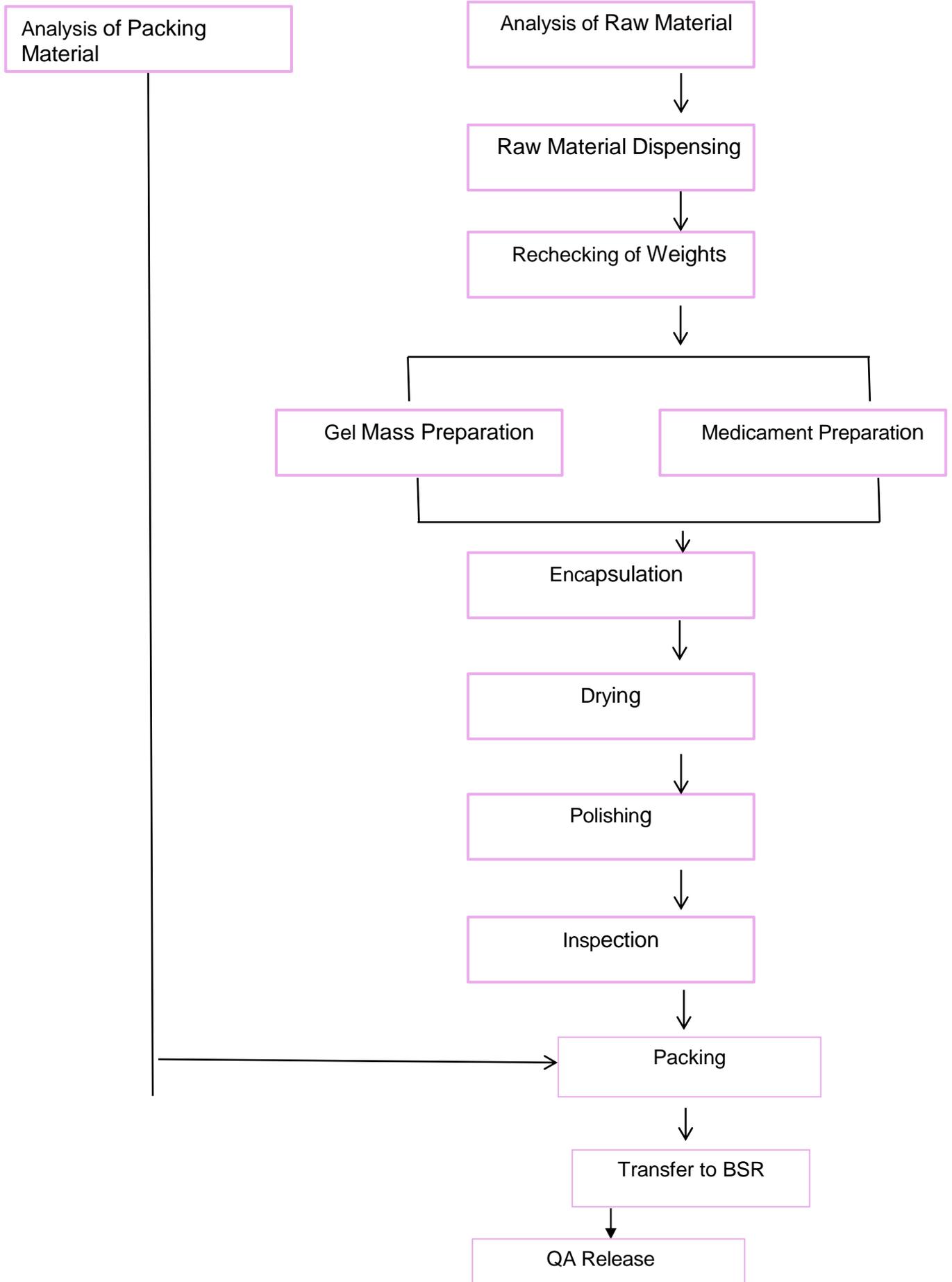
Process Flow Chart of Oral Syrup



ORAL SYRUP:

The oral syrup manufacturing process is a batch process. Initially, the raw material goes through a Quality Check (QC) and if approved various Pharmaceutical Ingredients (PI) and Excipients are dispensed for processing. In the first tank all the excipients are mixed with the sugar syrup. The mixture of sugar syrup and excipients is taken to the next tank where Pharmaceutical Ingredients (PIs) are mixed. The solution from the this tank is taken to the co-mill and homogenizer where all the raw materials are mixed uniformly to form a homogeneous solution. This solution is pumped into another tank where it is stored before filling in the bottles. At this stage, a Quality Check is carried out to check various quality related aspects of the raw materials. If the solution is approved during the quality check, it is taken to the filling section. In the filling section, the bottles are filled as per the requirement where the specified quantity is dispensed by the machine. After filling the bottle, the capping takes place and the bottle is sealed. The sealed bottle, is taken for inspection where the bottle is checked for quality related aspects like right amount of liquid filled in the bottle, bottle is air tight and sealed properly, after filling the bottle, the labelling takes place. In labelling section, the various manufacturing details are printed onto the primary pack like batch number, date of manufacturing, maximum retail price of the therapeutic, etc. as required by Food and Drugs Act. Additionally, secondary packing is done for the oral liquids in cardboard boxes and corrugated boxes. The packed oral liquids go through QC for final inspection.

Process Flow Chart of Soft Gel



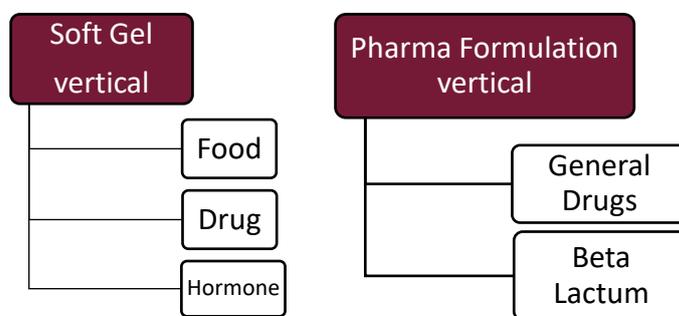
Manufacturing of gelatin shells: Softgel liquid material is delivered in two boxes. The boxes evenly spread the flowing gel into special drums with inbuilt cooling systems and outer die pockets. As the two casting drums turn, they cool and solidify the gelatin material to form two similar ribbons.

Manufacturing of gelatin capsules: Approved ingredients for use get issued from the Raw Material Stores. Ingredients are blended and milled in a processing tank. The material from the tank is forced between the two flat gelatin ribbon layers through a filing pump. Capsule halves are then sealed through heat and pressure and are then ejected. Then prepared soft gel capsules undergo a drying process in a tumbler dryer

Testing of the filled capsules for weight variation, disintegration, dissolution, and content uniformity. Polishing the capsules to remove any dust and inspect for defects like cracks, dents, or color variation. Packing of the capsules in blister packs, bottles, or bulk containers under controlled conditions.

OUR PRODUCTS

BUSINESS VERTICLES



CURRENT PRODUCT PORTFOLIO – SOFT GEL Vertical

| Classification | Forms |
|-----------------------------------|---|
| Softgel Capsules | Betacarotene Soft Gelatin Capsules Methylcobalamin with Alpha Lipoic Acid Cholecalciferol Soft Gelatin Capsules Echinacea Soft Gelatin Capsule |
| Herbals Soft Gelatin Capsules | Milk Thistle Soft Gelatin Capsule Brahmi Soft Gelatin Capsules Arjuna Soft Gelatin Capsules Tulsi Soft Gelatin Capsules |
| Soft Gelatin Capsules under Drugs | Methylcobalamin with Calcium Caltriol Capsules Calcitrol Soft Gelatin Capsule Evening Primrose Oil & Cod Liver Oil Soft Gelatin Capsule Alfacalcidol Soft Gelatin Capsules |
| Carotenoids Soft Gelatin Capsules | Lutein and Zeaxanthin Soft Gelatin Capsule Astaxanthin Soft Gelatin Capsules Lycopene Soft Gelatin Capsules |
| Soft Gelatin Capsules under Food | Vitamin K2 Calcium Carbonate Soft Gelatin Capsules Omega Soft Gelatin Capsules |

| | |
|--|---|
| Calcitriol Soft Gelatin Capsules for Pharmaceutical Industry | Calcitriol Soft Gelatin Capsules |
| Oil Soft Gel Capsules | Krill Oil Soft Gelatin Capsules |
| Soft Gelatin Capsules under Vitamins | Vitamin B Supplements Vitamin K Supplements Vitamin D Supplements |

Current Product Portfolio – Pharma Formulation Vertical

| Classification | Forms |
|--|---|
| Tablets - General and Beta lactum | Core tablets or uncoated tablets Enteric-coated tablets Dispersible tablets. Modified release tablet. Prolonged released tablets. Effervescent tablets. Chewable Tablets Coated tablets: a. Film-coated tablets b. Sugar-coated tablets |
| Capsules – General | Pantoprazole Omaprazole B-complex |
| Injections – Liquid and Dry in General and Beta Lactum | Ampoules Dry powder injections Single dose vials Multi dose vials |
| Syrups | Liquid syrup Oral drops |
| Others | Eye Drops Ear Drops Nasal Sprays Creams and Ointments |

Some Products of Company:

| | | |
|---|---|---|
|  |  |  |
| CAPSULE | SYRUP | TABLETS |
|  |  |  |
| VITAMIN SUPPLEMENTS | EYE/EAR DROP | CREAM |
|  |  |  |
| NOSAL SPRAY | OINTMENT | INJECTIONS |

Product Range of our Company

Our Company have diverse product portfolio of Pharmaceutical in conformity to FSSAI standards. Our Company has requisite infrastructure to accommodate stock of every component. The major categories of products dealt in by our Company are as follows:-

| Therapy | Brief Description |
|-------------------------|--|
| Anti-diabetic | Antidiabetic drugs are medicines developed to stabilise and control blood glucose levels amongst people with diabetes. |
| Cardiovascular Products | Medicines for diseases relating to the structure and function of the heart and blood vessels. |
| Analgesic | An analgesic or painkiller is any member of the group of drugs used to achieve analgesia, relief from pain |
| Anti-acid Preparations | Antacid preparations serve to neutralize gastric acid after it is secreted. These still-helpful agents have a continuing role in treating mild, occasional heartburn and supplementing prescription drugs in more severe disease |
| Antibiotic | Antibiotics, also called antibacterial, are a type of antimicrobial drug used in the treatment and prevention of bacterial infections |
| Calcium Supplements | Calcium is a nutrient that is essential for strong bones. It is a dietary supplement used when the amount of calcium taken in the diet is not enough |
| Vitamin Supplements | Vitamin is one of several substances that are found in certain types of food and that are important for growth and good health. It is a dietary supplement contains one or more dietary ingredients (including vitamins; minerals; herbs or other botanicals; amino acids; and other substances) |
| Omega 3 | Omega-3 fatty acids are a group of polyunsaturated fatty acids that are important for a number of functions in the body. Omega-3s also provide calories to give your body energy and have many functions in your heart, <u>blood vessels</u> , <u>lungs</u> , <u>immune system</u> , and <u>endocrine system</u> |

FORM OF PRODUCTS MANUFACTURED

Both our units are dedicated to the manufacture of FDFs (Finished Dosage Formulations)

| S. NO. | CATEGORY | DESCRIPTION | UNIT | NUMBER |
|---------------|------------------|--|-------------|---------------|
| 1. | Dry Injection | Powders for injection (PIs) are a popular parenteral dosage form for drugs that cannot be marketed as ready-to-use injectables | In Numbers | 65 |
| 2. | Liquid Injection | An injection is the act of administering a liquid, especially a drug, into a person's body using a needle (usually a hypodermic needle) and a syringe. | In Numbers | 64 |

| | | | | |
|--------------|--|---|------------|------------|
| | | | | |
| 3. | Ophthalmic Preparation | It is an antibiotic instilled in the eye to treat bacterial infections of the eye (e.g., conjunctivitis). Additionally, it may be instilled in the ear to treat bacterial infections of the ear (e.g., otitis externa). Nasal drops are medicine that you put directly. | In Numbers | 51 |
| 4. | External Preparation | An oil-based topical formulation with a semi-solid texture and a greasy appearance that can be applied to the skin | In Numbers | 41 |
| 5. | Oral Liquid Syrup | An oral solution is a medicine in liquid form for drinking. Mix the oral solution with water and drink it immediately. An oral solution of a medicine is better for patients who don't like swallowing tablets and prefer liquid medications | In Numbers | 69 |
| 6. | Tablets | A medicine in a tablet form is a dosage which is provided to the patients. It is a solid form of medicine which may contain diluents and prepared by moulding or by compression | In Numbers | 311 |
| 7. | Capsules - General & Beta Lactum and Softgel | A medicine in a Capsule form is a dosage which is provided to the patient. It is in powder form which may contain mixture of two or more medicines and the outer coating is made of gel caps. | In Numbers | 58 |
| TOTAL | | | | 659 |

END USERS

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

PRODUCT WISE REVENUE BREAKUP

The product-wise revenue breakup of the Company for last three years is as follows:

(Amount in Lakhs)

| Product | For the period ended 31 st March, 2024 | % | For the period ended 31 st March, 2023 | % | For the period ended 31 st March, 2022 | % |
|--|---|-------------|---|-------------|---|-------------|
| Tablets | 3302.48 | 28% | 2842.08 | 27% | 2142.35 | 25% |
| Capsules | 1061.51 | 9% | 1052.62 | 10% | 964.94 | 10% |
| Injections | 2830.70 | 24% | 2526.29 | 24% | 2412.35 | 25% |
| Syrups | 589.73 | 5% | 421.05 | 4% | 482.74 | 5% |
| Others (Eye drops, ear drops, Soft gel etc.) | 4010.16 | 34% | 3684.17 | 35% | 3377.29 | 35% |
| Total | 11794.58 | 100% | 10526.21 | 100% | 9649.39 | 100% |

GEOGRAPHICAL BREAKUP OF REVENUE

(Amount in Lakhs)

| State/Country | For the period Jan 01, 2024 to Mar 31, 2024 | % | For the period Apr 01, 2023 to Dec 31, 2023 | % | For FY ended March 31, 2023 | % | For FY ended March 31, 2022 | % |
|------------------|---|-------|---|-------|-----------------------------|-------|-----------------------------|-------|
| Jammu & Kashmir | 18.57 | 0.53 | 67.84 | 0.82 | 63.20 | 0.60 | 38.84 | 0.40 |
| Himachal Pradesh | 1222.70 | 34.62 | 2,283.49 | 27.64 | 2,276.09 | 21.62 | 2,117.70 | 21.95 |
| Punjab | 408.92 | 11.58 | 991.04 | 11.99 | 2,179.68 | 20.71 | 1,509.87 | 15.65 |
| Chandigarh | 212.41 | 6.01 | 580.38 | 7.02 | 908.85 | 8.63 | 979.81 | 10.15 |
| Uttarakhand | 7.72 | 0.22 | 23.87 | 0.29 | 44.70 | 0.42 | 15.13 | 0.16 |
| Haryana | 540.28 | 15.30 | 1,217.49 | 14.73 | 1,383.60 | 13.14 | 1,736.68 | 18.00 |
| Delhi | 161.86 | 4.58 | 1,292.97 | 15.65 | 1,634.95 | 15.53 | 1,219.01 | 12.63 |
| Rajasthan | 60.35 | 1.71 | 173.45 | 2.10 | 210.40 | 2.00 | 163.74 | 1.70 |
| Uttar Pradesh | 144.00 | 4.08 | 414.06 | 5.01 | 460.50 | 4.37 | 487.67 | 5.05 |
| Bihar | 59.34 | 1.68 | 163.20 | 1.98 | 172.22 | 1.64 | 161.19 | 1.67 |
| Assam | 33.43 | 0.95 | 61.10 | 0.74 | 93.88 | 0.89 | 53.94 | 0.56 |
| West Bengal | 25.60 | 0.72 | 67.88 | 0.82 | 63.21 | 0.60 | 58.80 | 0.61 |
| Jharkhand | 1.81 | 0.05 | 8.79 | 0.11 | 7.76 | 0.07 | 13.46 | 0.14 |
| Odisha | 4.55 | 0.13 | 5.85 | 0.07 | 12.12 | 0.12 | 13.61 | 0.14 |
| Chhattisgarh | 10.75 | 0.30 | 27.68 | 0.34 | 14.66 | 0.14 | 0.09 | 0.00 |
| Madhya Pradesh | 17.23 | 0.49 | 26.66 | 0.32 | 15.48 | 0.15 | 15.83 | 0.16 |

| | | | | | | | | |
|--------------------|-----------------|---------------|-----------------|---------------|------------------|---------------|-----------------|---------------|
| Gujarat | 359.35 | 10.17 | 241.72 | 2.93 | 308.58 | 2.93 | 283.01 | 2.93 |
| Maharashtra | 117.17 | 3.32 | 175.67 | 2.13 | 176.05 | 1.67 | 322.91 | 3.35 |
| Karnataka | 23.31 | 0.66 | 63.09 | 0.76 | 54.98 | 0.52 | 121.54 | 1.26 |
| Kerala | 18.33 | 0.52 | 105.24 | 1.27 | 86.45 | 0.82 | 43.54 | 0.45 |
| Tamil Nadu | 37.73 | 1.07 | 62.10 | 0.75 | 51.24 | 0.49 | 47.07 | 0.49 |
| Telangana | 31.59 | 0.89 | 123.47 | 1.49 | 142.19 | 1.35 | 107.00 | 1.11 |
| Andhra Pradesh | 13.73 | 0.39 | 53.31 | 0.65 | 62.04 | 0.59 | 126.00 | 1.31 |
| Thiruvananthapuram | - | 0.00 | - | 0.00 | - | 0.00 | 9.97 | 0.10 |
| Goa | - | 0.00 | 0.86 | 0.01 | 1.87 | 0.02 | 0.99 | 0.01 |
| Kashmir | - | 0.00 | - | 0.00 | - | 0.00 | 1.99 | 0.02 |
| Nagaland | - | 0.00 | 0.38 | 0.00 | 0.24 | 0.00 | - | 0.00 |
| Meghalaya | 0.47 | 0.01 | 0.24 | 0.00 | 1.48 | 0.01 | - | 0.00 |
| Manipur | 0.70 | 0.02 | 0.03 | 0.00 | - | 0.00 | - | 0.00 |
| Puducherry | - | 0.00 | 2.78 | 0.03 | - | 0.00 | - | 0.00 |
| Exports | - | 0.00 | 28.02 | 0.34 | 99.79 | 0.95 | - | 0.00 |
| Total | 3,531.90 | 100.00 | 8,262.68 | 100.00 | 10,526.21 | 100.00 | 9,649.39 | 100.00 |

TOP 10 CUSTOMERS/ SUPPLIERS

A. Table showing Top 10 customers for the financial year 2021-22 as per the Restated Financial:

| Particulars | Amount (in lakhs) | Share in Revenue (%) |
|--------------|-------------------|----------------------|
| Customer 1 | 973.97 | 10.09 |
| Customer 2 | 645.29 | 6.69 |
| Customer 3 | 591.61 | 6.13 |
| Customer 4 | 476.39 | 4.94 |
| Customer 5 | 454.53 | 4.71 |
| Customer 6 | 392.84 | 4.07 |
| Customer 7 | 226.22 | 2.34 |
| Customer 8 | 172.39 | 1.79 |
| Customer 9 | 161.76 | 1.68 |
| Customer 10 | 153.65 | 1.59 |
| Total | 4248.65 | 44.03 |

B. Table showing Top 10 customers for the financial year 2022-23 as per the Restated Financial:

| Particulars | Amount (in lakhs) | Share in Revenue (%) |
|--------------|-------------------|----------------------|
| Customer 1 | 1409.22 | 13.52 |
| Customer 2 | 1121.43 | 10.76 |
| Customer 3 | 885.56 | 8.49 |
| Customer 4 | 466.67 | 4.48 |
| Customer 5 | 393.52 | 3.77 |
| Customer 6 | 356.16 | 3.42 |
| Customer 7 | 136.44 | 1.31 |
| Customer 8 | 124.93 | 1.20 |
| Customer 9 | 118.62 | 1.14 |
| Customer 10 | 110.32 | 1.06 |
| Total | 5122.88 | 49.15 |

C. Table showing Top 10 customers for the period April 2023 to Dec 2023 as per the Restated

Financial:

| Particulars | Amount (in lakhs) | Share in Revenue (%) |
|--------------|-------------------|----------------------|
| Customer 1 | 652.79 | 7.90 |
| Customer 2 | 512.59 | 6.20 |
| Customer 3 | 512.44 | 6.20 |
| Customer 4 | 453.35 | 5.49 |
| Customer 5 | 354.78 | 4.29 |
| Customer 6 | 307.66 | 3.72 |
| Customer 7 | 294.21 | 3.56 |
| Customer 8 | 191.08 | 2.31 |
| Customer 9 | 112.43 | 1.36 |
| Customer 10 | 105.15 | 1.27 |
| Total | 3496.47 | 42.3 |

D. Table showing Top 10 customers for the period Jan 2024 to March 2024 as per the Restated

Financial:

| Particulars | Amount (in lakhs) | Share in Revenue (%) |
|--------------|-------------------|----------------------|
| Customer 1 | 740.83 | 23.30 |
| Customer 2 | 167.71 | 5.28 |
| Customer 3 | 160.89 | 5.06 |
| Customer 4 | 153.66 | 4.83 |
| Customer 5 | 126.74 | 3.99 |
| Customer 6 | 125.98 | 3.96 |
| Customer 7 | 83.18 | 2.62 |
| Customer 8 | 48.91 | 1.54 |
| Customer 9 | 48.55 | 1.53 |
| Customer 10 | 33.86 | 1.07 |
| Total | 1690.31 | 53.18 |

E. Table showing Top 10 suppliers for the financial year 2021-22 as per the Restated Financial:

| Particulars | Amount (in Lakhs) | Share in Purchase % |
|--------------|-------------------|---------------------|
| Supplier 1 | 946.68 | 11.87 |
| Supplier 2 | 737.88 | 9.25 |
| Supplier 3 | 600.48 | 7.53 |
| Supplier 4 | 482.47 | 6.05 |
| Supplier 5 | 367.02 | 4.60 |
| Supplier 6 | 304.23 | 3.82 |
| Supplier 7 | 303.09 | 3.80 |
| Supplier 8 | 300.20 | 3.77 |
| Supplier 9 | 268.02 | 3.36 |
| Supplier 10 | 217.79 | 2.73 |
| Total | 4527.88 | 56.78 |

F. Table showing Top 10 suppliers for the financial year 2022-23 as per the Restated Financial:

| Particulars | Amount (In Lakhs) | Share in Purchase % |
|--------------|-------------------|---------------------|
| Supplier 1 | 873.88 | 9.97 |
| Supplier 2 | 764.96 | 8.72 |
| Supplier 3 | 564.92 | 6.44 |
| Supplier 4 | 542.92 | 6.19 |
| Supplier 5 | 373.00 | 4.25 |
| Supplier 6 | 296.91 | 3.39 |
| Supplier 7 | 280.27 | 3.20 |
| Supplier 8 | 262.45 | 2.99 |
| Supplier 9 | 227.39 | 2.59 |
| Supplier 10 | 200.31 | 2.28 |
| Total | 4387.02 | 50.02 |

G. Table showing Top 10 suppliers for the period April 2023 to Dec 2023 as per the Restated Financial:

| Particulars | Amount | Share in Purchase % |
|--------------|----------------|---------------------|
| Supplier 1 | 738.89 | 10.97 |
| Supplier 2 | 357.96 | 5.31 |
| Supplier 3 | 343.25 | 5.09 |
| Supplier 4 | 313.05 | 4.65 |
| Supplier 5 | 282.46 | 4.19 |
| Supplier 6 | 248.21 | 3.68 |
| Supplier 7 | 234.99 | 3.49 |
| Supplier 8 | 195.03 | 2.89 |
| Supplier 9 | 169.97 | 2.52 |
| Supplier 10 | 166.08 | 2.46 |
| Total | 3049.89 | 45.25 |

H. Table showing Top 10 suppliers for the period Jan 2024 to March 2024 as per the Restated Financial:

| Particulars | Amount (In laksh) | Share in Purchase % |
|--------------|-------------------|---------------------|
| Supplier 1 | 639.46 | 27.62 |
| Supplier 2 | 198.07 | 8.55 |
| Supplier 3 | 154.35 | 6.67 |
| Supplier 4 | 149.40 | 6.45 |
| Supplier 5 | 94.78 | 4.09 |
| Supplier 6 | 79.71 | 3.44 |
| Supplier 7 | 66.23 | 2.86 |
| Supplier 8 | 64.00 | 2.76 |
| Supplier 9 | 47.88 | 2.07 |
| Supplier 10 | 42.27 | 1.83 |
| Total | 1536.16 | 66.34 |

There is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel, Directors and subsidiaries / Group Company and its directors.

OUR MANUFACTURING FACILITY

| Location | Total Area | Usage Purpose |
|---|---------------------------|---------------|
| Hilltop Industrial Estate Village Bhatauli Kalan Tehsil Baddi Distt Solan | 51,800 sq. ft. | Manufacturing |
| Building No 69 Village Makhanmajra Chandigarh | 3,000 sq. ft. | Manufacturing |
| Plot No 70 Village Makhanmajra Chandigarh | 2,000 sq. ft. | Manufacturing |
| Village Saraj Majra Gujjaran Near Toll Plaza Baddi | 18,270 sq. ft. (in total) | Manufacturing |
| Total | 75,070 sq. ft. | |







BUSINESS STRATEGIES

We intend to strengthen our position in India and further expand our operations internationally in regulated and semi regulated markets to achieve long-term sustainable growth, increase brand value, achieve operational excellence, strengthen existing services, customer satisfaction, innovation, and marketing etc. Our principal strategies and initiatives to achieve these objectives are set out below:

Increase by Targeting Unexplored Markets:

Amster can pursue market expansion strategies by targeting new geographic regions and customer segments. This can involve entering untapped international markets where there is demand for pharmaceutical products. Additionally, Amster can explore partnerships or collaborations to leverage the distribution networks and expertise of local players in those markets as part of our growth strategy, we intend to target regulated markets as well as enhance our presence in existing geographies. We want to obtain approvals for launching our newer products in the African and South-East Asian regions. Our growth strategy will vary from country to country depending on applicable regulatory norms. The commercialization of products under registration will add to the growth. We will continue to evaluate additional markets and product opportunities, including potential acquisitions and relationships which we believe will be beneficial to increase our presence in Domestic Markets as well as Export markets.

Product Diversification:

Amster has successfully established itself in the market by manufacturing, marketing, and selling a diverse range of products in the Tablet, Capsule, Injection, Syrups and Drops. Building upon our existing strengths, we recognize the opportunity to further expand our product portfolio and cater to a wider range of medical conditions and customer preferences. As part of our growth strategy, we plan to introduce a new line of Tablets and Injectors, enabling us to target specific segments and enhance our market reach. By venturing into the Tablet and Injectors segment, Amster aims to leverage its existing capacities, skilled manpower, and available resources more effectively. This expansion will allow us to capitalize on our strong customer base, established trade relationships, and the goodwill we have garnered in the pharmaceutical industry. Our existing marketing channels and distribution networks will play a pivotal role in successfully launching and promoting these new products. With the addition of Tablets and Injectors to our product range, we will be equipped to address the unique needs of patients across a broader spectrum of medical conditions. This diversification strategy aligns with our commitment to

providing comprehensive healthcare solutions and reinforces our position as an innovative and customer-centric pharmaceutical company. We understand that launching new products requires meticulous planning, market research, and a comprehensive understanding of customer demands and preferences. Our team will conduct thorough market analysis to identify key target segments and develop tailored marketing strategies to effectively promote the new Tablet and Injectors line. Additionally, we will continue to uphold our commitment to quality and regulatory compliance, ensuring that these new products meet the highest industry standards. By expanding our product range into the Tablet and Injectors segment, Amster is confident in our ability to seize market opportunities, meet evolving customer needs, and drive sustainable growth. We remain dedicated to our mission of contributing to the well-being of patients by continuously enhancing our product offerings and delivering innovative healthcare solutions.

Formulations and Developments:

F&D allows Amster to create unique formulations that differentiate its products from competitors. By investing in research and development, Amster can develop novel drug formulations with improved efficacy, safety profiles, patient compliance, or convenience. These differentiated formulations can give Amster a competitive edge in the market and enhance its brand reputation. F&D efforts often result in the creation of intellectual property (IP) assets such as patents and trademarks.

These IP rights provide Amster with legal protection and exclusivity over its formulations, preventing competitors from replicating or commercializing similar products. This strengthens Amster's market position and allows for long-term revenue generation from its proprietary formulations.

Regulatory Compliance:

Regulatory Compliance ensures that Amster's products meet stringent quality standards set by regulatory authorities. By implementing robust quality management systems and adhering to Good Manufacturing Practices (GMP), Amster can consistently manufacture products that are safe, effective, and of high quality. This commitment to quality builds customer trust and enhances the company's reputation in the pharmaceutical industry. Regulatory Compliance is essential for Amster to obtain regulatory approvals and market authorizations to sell its products. By complying with local and international regulations, Amster can access new markets and expand its geographical footprint. This strategy enables Amster to reach a wider customer base, increase revenue streams, and capitalize on growth opportunities.

SWOT ANALYSIS

| STRENGTHS | WEAKNESS |
|---|--|
| <ul style="list-style-type: none"> ❖ Extensive Promoter's Experience ❖ Diversity in Portfolio and Customer Base ❖ Manufacturing Capabilities | <ul style="list-style-type: none"> ❖ Competition and Pricing Pressure ❖ Working Capital Intensive Sector |
| OPPORTUNITIES | THREATS |
| <ul style="list-style-type: none"> ❖ Growing Market ❖ Government Supplies ❖ Personalised Medicines | <ul style="list-style-type: none"> ❖ Drug Pricing Pressure ❖ Regulatory Changes |

SALES AND MARKETING STRATEGY

Participating in exhibitions is a strategic way for our company to enhance visibility and drive sales. Exhibitions provide a platform to showcase products, engage with healthcare professionals, and foster networking opportunities.

Educational sessions, such as workshops and Q&As, allow companies to share valuable information and build credibility. Promotional materials, like brochures and branded giveaways, help keep the company top-of-mind. Exclusive offers or discounts available only during the event can incentivize immediate purchases.

Collecting leads through sign-up forms and following up with personalized communications post-event is crucial for converting interest into sales. Additionally, gathering feedback through surveys can refine future strategies. Overall, participation in exhibitions allows pharmaceutical companies to effectively engage with their target audience while adhering to regulatory guidelines.

PLACE OF BUSINESS

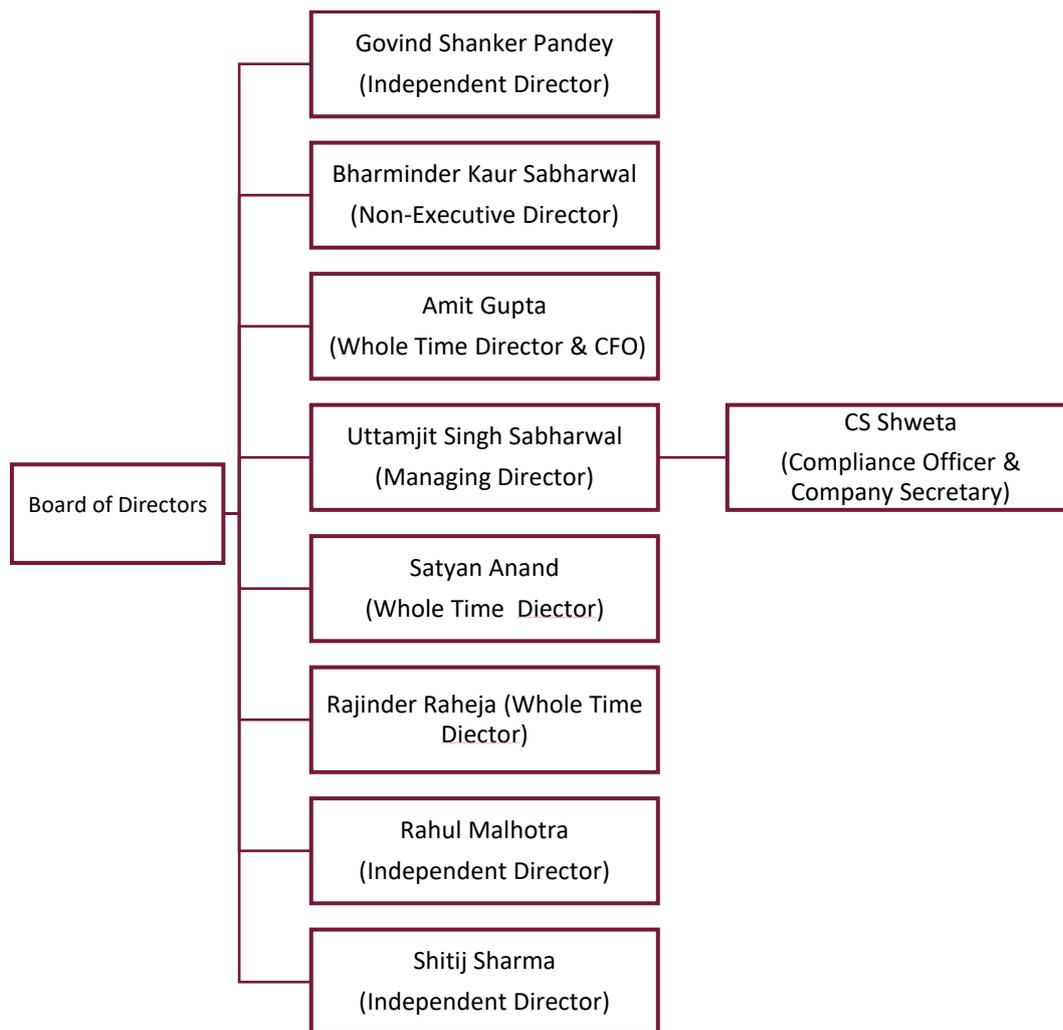
| Location | Total Area | Lease/ Owned | Usage Purpose |
|---|-------------------|---------------------|----------------------|
| SCO 166-167 1st Floor Sector 9 C Chandigarh | 2,800 sq. ft. | Lease | Head office |
| Hilltop Industrial Estate Village Bhatauli Kalan Tehsil Baddi Distt Solan | 51800 sq. ft. | Owned | Manufacturing |
| Building No 69 Village Makhanmajra Chandigarh | 3,000 sq. ft. | Lease | Manufacturing |
| Plot No 70 Village Makhanmajra Chandigarh | 2,000 sq. ft. | Lease | Manufacturing |
| Village Saraj Majra Gujjaran Near Toll Plaza Baddi | 18,270 sq. ft. | Lease | Manufacturing |

For detailed information of the above-mentioned places of business, please refer “Land & Properties” in section “Our Business” on page 206 of this Draft Prospectus.

There is no conflict of interest between the lessor of the immovable properties, (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel, Directors and subsidiaries / Group Company and its directors.

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ORGANIZATIONAL STRUCTURE



PLANT AND MACHINERY

The list of machines that the company possesses as on the date of this Draft Red Herring Prospectus. All the Company are owned by the Company in the name of Company.

| Raw Material Store | | |
|--------------------|-----------------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | RM Receiving Hatch | 1 Nos. |
| 2. | Weighing Machine | 500Kg |
| 3. | Liquid Receiving Hatch | 1 Nos. |
| 4. | Dispensed Material Pass Box | 1 Nos. |
| 5. | Sampling Booth | 1 Nos. |
| 6. | Weighing Machine | 3Kg |
| 7. | Dispensing Booth | 1 Nos. |
| 8. | Weighing Machine | 100Kg |
| 9. | Weighing Machine | 5Kg |
| 10. | Air Shower | NA |
| 11. | Air Shower | NA |

| Packing Material Store | | |
|------------------------|--------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | PM Receiving Hatch | 1 Nos. |
| 2. | Air Shower | NA |

| External Preparation Manufacturing | | |
|------------------------------------|----------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | Preparation Vessel 1 | 150 Kgs |
| 2. | Preparation Vessel 2 | 150kgs |
| 3. | Manufacturing Vessel | 250kgs |
| 4. | Storage Tank | 300kgs |
| 5. | Colloidal Mill | 1 Nos |
| 6. | Electronic Balance | 50kg |

| External Preparation Filling | | |
|------------------------------|---------------------------|---------------|
| Sr. No. | Particulars | Capacity |
| 1. | Solution Filling M/C | 2,000 Approx |
| 2. | Lami Tube Filling M/C | 25,000 Approx |
| 3. | Aluminium Tubefilling M/C | 25,000 Approx |
| 4. | Weighing M/C | 300 GM |

| Oral Liquid Manufacturing | | |
|---------------------------|-----------------------------------|-----------|
| Sr. No. | Particulars | Capacity |
| 1. | Syrup Manufacturing Tank | 1000 Ltr. |
| 2. | Manufacturing Tank | 2000 Ltr. |
| 3. | Storage Tank | 2000 Ltr. |
| 4. | Stirrer Mixer | 1 Nos. |
| 5. | SS Manufacturing Vessel | 500 Ltr. |
| 6. | Vacuum Pump | 75 |
| 7. | SS Vessel | 200 Ltr. |
| 8. | SS Vessel | 100 Ltr. |
| 9. | Colloidal Mill | 1 Nos. |
| 10. | Transfer Pump | 1 Nos. |
| 11. | Filter Press (With Transfer Pump) | 1 Nos. |
| 12. | Sugar Filtration | 1 Nos. |
| 13. | PH Meter | Na |

| Oral Liquid Decartoning | | |
|-------------------------|-----------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | Static Pass Box | 1 Nos. |
| 2. | Static Pass Box | 1 Nos. |

| Oral Liquid Washing | | |
|---------------------|--------------------|---------------|
| Sr. No. | Particulars | Capacity |
| 1. | Bottle Washing M/C | 30,000 Approx |

| Oral Liquid Filling | | |
|---------------------|--------------------------|---------------|
| Sr. No. | Particulars | Capacity |
| 1. | Turn Table | NA |
| 2. | Filling Machine Six Head | 30,000 Approx |

| | | |
|----|--------------------------|---------------|
| 3. | Turn Table | NA |
| 4. | Sealing Machine Six Head | 30,000 Approx |

| Liquid Injection Washing | | |
|--------------------------|-----------------------------|---|
| Sr. No. | Particulars | Capacity |
| 1. | Vial Washing Machine | 25,000 Approx. |
| 2. | LAF | 1 Nos |
| 3. | Ampoule Washing Machine | 30,000approx |
| 4. | LAF | 1 Nos |
| 5. | Rubber Plug Washing Machine | 13mm 20,000 Approx. 20 Mm 10,000 Approx. |
| 6. | D.H.S. | 100ml 7,000 Vials 2ml 1,00,000 Amp |
| 7. | Autoclave | 1 Nos |
| 8. | Vacuum Pump | 15 |
| 9. | Static Pass Box | 1 Nos. |
| 10. | Static Pass Box | 1 Nos. |

| Liquid Injection Manufacturing | | |
|--------------------------------|-------------------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | Manufacturing Tank (Jacketed) | 300ltr. |
| 2. | Manufacturing Tank | 200ltr. |
| 3. | Manufacturing Tank | 100ltr. |
| 4. | Dynamic Pass Box | 1 Nos |
| 5. | Stirrer | 1 Nos |
| 6. | Membrane Holder | 293 Mm |
| 7. | Membrane Holder | 293 Mm |
| 8. | Pressure Tank | 100 Ltr. |
| 9. | Filling Tank | 100ltr |
| 10. | Filling Tank | 50ltr |
| 11. | Filling Tank | 50ltr |
| 12. | Pressure Tank | 1 Nos |
| 13. | Pressure Tank | 1 Nos |
| 14. | Colloidal Machine | NA |
| 15. | Vacuum Pump | NA |

| Liquid Sterile Change Room | | |
|----------------------------|-----------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | Sterile Dress Cabinet | 1 Nos. |
| 2. | Dynamic Pass Box | 1 Nos. |
| 3. | Dynamic Pass Box | 1 Nos. |

| Liquid Sterile Cooling Zone | | |
|-----------------------------|-------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | LAF (Autoclave) | 1 Nos. |
| 2. | LAF (DHS) | 1 Nos. |
| 3. | LAF (Non-Grouted) | 1 Nos. |

| Liquid Injection Filling | | |
|--------------------------|-------------------------------------|--------------|
| Sr. No. | Particulars | Capacity |
| 1. | Ampoule Filling and Sealing Machine | 30,000approx |
| 2. | LAF | 1 Nos. |

| | | |
|-----|-------------------------------------|----------------|
| 3. | Ampoule Filling and Sealing Machine | 30,000 approx |
| 4. | LAF | 1 Nos. |
| 5. | Turn Table | Na |
| 6. | Vial Filling Machine | 25,000 approx. |
| 7. | LAF | 1 Nos. |
| 8. | LAF | 1 Nos. |
| 9. | Vial Rubber Plug Sealing Machine | 25,000 approx. |
| 10. | LAF | 1 Nos. |
| 11. | LAF | 1 Nos. |

| Ophthalmic Solution | | |
|---------------------|-----------------|----------------|
| Sr. No. | Particulars | Capacity |
| 1. | Turn Table | 1 Nos. |
| 2. | LAF | 1 Nos. |
| 3. | Filling Machine | 20,000 Approx. |
| 4. | Sealing Machine | 20,000 Approx. |
| 5. | LAF | 1 Nos. |
| 6. | LAF | 1 Nos. |

| Dry Injection Warehouse | | |
|-------------------------|--------------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | Rm Receiving Hatch | 1 Nos |
| 2. | Rejection Material Hatch | 1 Nos |
| 3. | Pm Receiving Hatch | 1 Nos |
| 4. | Static Pass Box | 1 Nos |

| Dry Injection Washing Section | | |
|-------------------------------|-----------------------------|-------------------|
| Sr. No. | Particulars | Capacity |
| 1. | Vial Washing Machine | 30,000 approx. |
| 2. | LAF | 1 Nos. |
| 3. | Rubber Plug Washing Machine | 20,000 Approx. |
| 4. | D.H.S. | 10ml 60,000 Vials |
| 5. | Vacuum Pump | 15 CFM |
| 6. | LAF | 1 Nos. |
| 7. | Dynamic Pass Box | 1 Nos. |
| 8. | Autoclave | 1 Nos |
| 9. | LAF | 1 Nos. |
| 10. | Static Pass Box | 1 Nos. |
| 11. | Dynamic Pass Box | 1 Nos. |
| 12. | Air Shower | NA |

| Dry Sterile Change Room | | |
|-------------------------|-----------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | Sterile Dress Cabinet | 1 Nos. |

| Dry Sterile Dispensing Room | | |
|-----------------------------|-------------------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | Sampling Cum Dispensing Booth | 1 nos. |

| Dry Injection Cooling Zone | | |
|----------------------------|-------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | LAF | 1 nos. |
| 2. | LAF | 1 nos. |

| Dry Injection Blending | | |
|------------------------|------------------|------------------|
| Sr. No. | Particulars | Capacity |
| 1. | Cone Blender | 25 ltr. Approx.. |
| 2. | LAF | 1 nos. |
| 3. | Dynamic Pass Box | 1 nos. |

| Dry Injection Filling Section | | |
|-------------------------------|-------------------------------|---------------|
| Sr. No. | Particulars | Capacity |
| 1. | Turn Table | NA |
| 2. | Dry Injection Filling Machine | 25,000 approx |
| 3. | Rubber Plug Sealing | 25,000 approx |
| 4. | Turn Table | NA |
| 5. | LAF | 1 nos. |
| 6. | LAF | 1 nos. |
| 7. | Dry Injection Sealing Machine | 25,000 approx |
| 8. | LAF | 1 nos. |
| 9. | LAF | 1 nos. |

| External Preparation Packing | | |
|------------------------------|---------------------------------|--------------|
| Sr. No. | Particulars | Capacity |
| 1. | Carton Over-Coding Machine | 20,000approx |
| 2. | Finished Product Dispatch Hatch | NA |

| Oral Liquid Packing | | |
|---------------------|---------------------------------|----------------|
| Sr. No. | Particulars | Capacity |
| 1. | Visual Inspection Table | 30,000 approx. |
| 2. | Turn Table | 1 Nos |
| 3. | Gum Labeling Machine | 30,000approx |
| 4. | Packing Conveyer Belt | NA |
| 5. | Carton Over-Coding Machine | 20,000 approx. |
| 6. | Stripping Machine | NA |
| 7. | Finished Product Dispatch Hatch | NA |
| 8. | Shrink Tunnel | NA |
| 9. | Air Shower | NA |

| Liquid Injection Packing | | |
|--------------------------|-------------------------------|----------------------------|
| Sr. No. | Particulars | Capacity |
| 1. | Visual Inspection Table | NA |
| 2. | Turn Table | NA |
| 3. | Vial Sticker Labeling Machine | 20,000 approx. |
| 4. | Packing Conveyer Belt | NA |
| 5. | Visual Inspection Table | NA |
| 6. | Visual Inspection Table | NA |
| 7. | Ampoule Blister Machine | 25,000 Combi 8,000Dispo |
| 8. | Packing Conveyer Belt | NA |
| 9. | Ampoules Sticker Labeling | 50000 |
| 10. | Shrink Tunnel | NA |
| 11. | Air Shower | NA |

| Dry Injection Packing | | |
|-----------------------|-----------------------------|----------------|
| Sr. No. | Particulars | Capacity |
| 1. | PM RECEIVING PASS BOX | 2 nos. |
| 2. | TURN TABLE | Na |
| 3. | VISUAL INSPECTION TABLE | 1 Nos |
| 4. | TURN TABLE | Na |
| 5. | GUM LABELING MACHINE | 25,000 approx. |
| 6. | TURN TABLE | Na |
| 7. | PACKING CONVEYER BELT | NA |
| 8. | THERMAL SHRINK PACK MACHINE | 1 Nos |
| 9. | AIR SHOWER | NA |
| 10. | AIR SHOWER | NA |

| Utility Department | | |
|--------------------|-----------------------------------|---------------|
| Sr. No. | Particulars | Capacity |
| 1. | RO PLANT | 2000 Ltr/ Hr. |
| 2. | RO WATER STORAGE TANK | 2000 Ltr |
| 3. | RO PLANT | 2500 Ltr |
| 4. | RO WATER STORAGE TANK | 5000 Ltr |
| 5. | PW PLANT | 2000 Ltr/Hr |
| 6. | MIXED BED | 2000ltr/Hr |
| 7. | PW WATER STORAGE TANK | 5000 Ltr |
| 8. | PW WATER STORAGE TANK | 2000ltr |
| 9. | MULTI COLUMN (DISTILLATION PLANT) | 300 Ltr / Hr. |
| 10. | W.F.I STORAGE TANK | 300 Ltr |
| 11. | PW WATER STORAGE TANK | 100 Ltr |
| 12. | VERTICAL AIR COMPRESSOR | 100 CFM- |
| 13. | VERTICAL AIR COMPRESSOR | 100 CFM-- |
| 14. | NITROGEN PLANT | - |
| 15. | BOILER | 600KG- |
| 16. | BOILER | 400 KG |
| 17. | ETP &STP | 20KLD- |
| 18. | DG | 66KVA |
| 19. | DG | 250KVA |
| 20. | TRANSFORMER | 1000 KVA |
| 21. | CHILLER | 225 TR- |
| 22. | AIR COMPRESSOR | 50 cfm |
| 23. | AIR COMPRESSOR | 50 cfm |
| 24. | AIR COMPRESSOR | 50 cfm |
| 25. | COOLING TOWER | 100 Tr |
| 26. | COOLING TOWER | 375 Tr |
| 27. | SOFTENER PLANT | 150ltr |
| 28. | SOFTNER PLANT | 175 ltr |

| Tablet Raw Material Store | | |
|---------------------------|---------------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | SAMPLING BOOTH | 1 Nos. |
| 2. | RM TABLET SAMPLING ACTIVE | 1 kg |

| | | |
|----|--------------------------------|--------|
| 3. | RM TABLET SAMPLING EXCEIPENT | 1 kg |
| 4. | DISPENSING BOOTH | 1 nos. |
| 5. | RM TABLET DISPENSING ACTIVE | 50 kg |
| 6. | RM TABLET DISPENSING EXCEIPENT | 100 kg |

| Tablet Section (General) | | |
|--------------------------|-------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | FBD | 120 kgs |
| 2. | DYNAMIC PASS BOX | NA |
| 3. | RMG | 250 ltr. |
| 4. | MULTI MILL | 1 Nos |
| 5. | OCTAGONAL BLENDER | 150 ltr. |
| 6. | SIFTER | 30" |
| 7. | PASTE CATTLE | 50 kgs. |
| 8. | DYNAMIC PASS BOX | NA |
| 9. | WEIGHING MACHINE | 100 kg |
| 10. | MASS MIXER | 50 kg |

| Compression | | |
|-------------|----------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | ROTARY COMPRESS. M/C | 27 Stn. |
| 2. | DYNAMIC PASS BOX | NA |
| 3. | WEIGHING MACHINE | 300gm |
| 4. | ROTARY COMPRESS. M/C | 27 Stn. |
| 5. | DYNAMIC PASS BOX | NA |
| 6. | WEIGHING MACHINE | 300gm |
| 7. | ROTARY COMPRESS. M/C | 35 Stn. |
| 8. | DYNAMIC PASS BOX | NA |
| 9. | WEIGHING MACHINE | 300gm |
| 10. | ROTARY COMPRESS. M/C | 27 STN |
| 11. | DYNAMIC PASS BOX | NA |
| 12. | WEIGHING MACHINE | 300gm |
| 13. | TABLET VISUAL TABLE | - |
| 14. | DYNAMIC PASS BOX | NA |

| In process Quality Assurances (IPQA) | | |
|--------------------------------------|----------------------|-----------|
| Sr. No. | Particulars | Capacity |
| 1. | DT APPARATUS | 1 Station |
| 2. | FRIABILITY APPARATUS | - |
| 3. | HARDNESS TESTER | - |
| 4. | VERNIER | - |
| 5. | LEAK TEST APPARATUS | - |

| Coating | | |
|---------|---------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | AUTO COATER M/C | 36" |
| 2. | SOLUTION MIXER TANK | 50ltr. |
| 3. | SEMI COATING M/C | 36" |
| 4. | COLLOIDAL MILL | 15 LTR |
| 5. | DYNAMIC PASS BOX | NA |
| 6. | WEIGHING MACHINE | 100 KG |

| Primary Packing | | |
|-----------------|--------------------------|------------|
| Sr. No. | Particulars | Capacity |
| 1. | STRIP M/C | 20,000 STR |
| 2. | DYNAMIC PASS BOX | NA |
| 3. | PACKING CONVEYER BELT | NA |
| 4. | WEIGHING MACHINE | 1kg |
| 5. | BLISTER M/C DOUBLE TRACK | 30,000 STR |
| 6. | DYNAMIC PASS BOX | NA |
| 7. | WEIGHING MACHINE | 1kg |
| 8. | BLISTER M/C DOUBLE TRACK | 30,000 STR |
| 9. | DYNAMIC PASS BOX | NA |
| 10. | PACKING CONVEYER BELT | NA |
| 11. | WEIGHING MACHINE | 1kg |
| 12. | ALU / ALU MACHI TURBO | 20,000 STR |
| 13. | DYNAMIC PASS BOX | NA |
| 14. | PACKING CONVEYER BELT | NA |
| 15. | WEIGHING MACHINE | 1kg |
| 16. | STRAPPING M/C | - |
| 17. | WEIGHING MACHINE | 100kg |

| Capsule Section (Non Beta Lactum) | | |
|-----------------------------------|---------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | CAPSULE FILLING M/C | 1.6 Lacs |
| 2. | DYNAMIC PASS BOX | NA |
| 3. | POLISHING M/C | NA |
| 4. | SIFTER | 36" |
| 5. | CONE BLENDER | 100 Ltr. |
| 6. | WEIGHING MACHINE | 300gm |

| Cefa Raw Material Store | | |
|-------------------------|--------------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | SAMPLING BOOTH | 1 nos. |
| 2. | RM CEFA SAMPLING BOOTH | 1Kg |
| 3. | DISPENSING BOOTH | 1 nos. |
| 4. | RM CEFA DISPENSING BOOTH | 50kg |
| 5. | DYNAMIC PASS BOX | NA |

| Tablet Section (Cefa) | | |
|-----------------------|---------------------|----------|
| Sr. No. | Particulars | Capacity |
| 1. | FBD | 60 kgs |
| 2. | FBD | 120KG |
| 3. | FBD | 30 KG |
| 4. | DOUBLE CONE BLENDER | 70 ltr. |
| 5. | OCTAGONAL BLENDER | 300KG |
| 6. | MULTI MILL | NA |
| 7. | RMG | 400 LTR |
| 8. | SIFTER | 36 |
| 9. | DYNAMIC PASS BOX | NA |
| 10. | DYNAMIC PASS BOX | NA |

| Compression | | |
|--------------------|----------------------|-----------------|
| Sr. No. | Particulars | Capacity |
| 1. | ROTARY COMPRESS. M/C | 20 Station |
| 2. | WEIGHING MACHINE | 300gm |
| 3. | ROTARY COMPRESS. M/C | 12 stn |

| In process Quality Assurances (IPQA) | | |
|---|----------------------|-----------------|
| Sr. No. | Particulars | Capacity |
| 1. | DT APPARATUS | 1 Station |
| 2. | FRIABILITY APPARATUS | - |
| 3. | HARDNESS TESTER | - |
| 4. | VERNIER CALIPER | - |

| Coating | | |
|----------------|---------------------|-----------------|
| Sr. No. | Particulars | Capacity |
| 1. | SEMI COATING | 36" |
| 2. | SOLUTION MIXER TANK | 50 Ltr. |

| Primary Packing | | |
|------------------------|---------------------|-----------------|
| Sr. No. | Particulars | Capacity |
| 1. | ALU-ALU MACHINE | 4000 STR |
| 2. | LEAK TEST APPARATUS | - |
| 3. | SHRINK TUNNEL | |

| Quality Control | | |
|------------------------|----------------------------|-----------------|
| Sr. No. | Particulars | Capacity |
| 1. | HPLC | 1 Nos |
| 2. | UV SPECTROPHOTOMETER | 1 Nos |
| 3. | POLARI METER | 1 Nos |
| 4. | ANALYTICAL BALANCE | 1 Nos |
| 5. | TAP DENSITY APPARATUS | 1 Nos |
| 6. | MELTING POINT APPARATUS | 1 Nos |
| 7. | PH METER | 1 Nos |
| 8. | UV CABINET | 1 Nos |
| 9. | DESSICATOR | 1 Nos |
| 10. | SONICATOR | 1 Nos |
| 11. | VACUUM PUMP | 1 Nos |
| 12. | EYE SHOWER | 1 Nos |
| 13. | FUME HOOD | 1 Nos |
| 14. | VACUUM OVEN | 1 Nos |
| 15. | MUFFLE FURNACE | 1 Nos |
| 16. | HUMIDITY CONTROL LONG TERM | 1 Nos |
| 17. | HOT AIR OVEN | 1 Nos |
| 18. | COLONY COUNTER | 1 Nos |
| 19. | ELECTRONIC BALANCE | 1 Nos |
| 20. | VERTICAL AUTOCLAVE 12 X 12 | 1 Nos |
| 21. | VERTICAL AUTOCLAVE 16 X 24 | 1 Nos |
| 22. | LABORATORY CENTRIFUGE | 1 Nos |
| 23. | HOT PLATE | 1 Nos |
| 24. | ANTIBIOTIC ZONE READER | 1 Nos |
| 25. | BACTERIAL INCUBATOR | 1 Nos |

| | | |
|-----|-----------------------|-------|
| 26. | BOD INCUBATOR | 1 Nos |
| 27. | LAF | 1 Nos |
| 28. | LAF | 1 Nos |
| 29. | STABILITY CHAMBER | 1 Nos |
| 30. | WATER BATH | 1 Nos |
| 31. | VERNIER | 1 Nos |
| 32. | HARDNESS TESTER | 1 Nos |
| 33. | FRIABILITY APPARATUS | 1 Nos |
| 34. | DISSOLUTION APPARATUS | 1 Nos |
| 35. | DT APPARATUS | 1 Nos |
| 36. | MAGNETIC STIRRER | 1 Nos |
| 37. | KARL FISHER TITRATION | 1 Nos |
| 38. | REFRIGERATOR | 1 Nos |
| 39. | HPLC | 1 Nos |
| 40. | CONDUCTIVITY METER | NA |
| 41. | FTIR | NA |
| 42. | PH METER | NA |
| 43. | UTRA-Q | NA |
| 44. | ANALYTICAL BALANCE | 220gm |
| 45. | MINI TOC | NA |
| 46. | DISSULATION APPARATUS | NA |
| 47. | AIR SHOWER | NA |
| 48. | STOPWATCH | NA |
| 49. | THERMOMETER | NA |

New Dry Injection (General)

| Sr. No. | Particulars | Capacity |
|---------|----------------------|------------|
| 1. | VIAL WASHING MACHINE | 240/m |
| 2. | TUNNEL | 240/m |
| 3. | AUTOCLAVE | NA |
| 4. | TURN TABLE | NA |
| 5. | CONVYER BELT | NA |
| 6. | FILLING MACHINE | NA |
| 7. | SEALING MACHINE | NA |
| 8. | TURN TABLE | NA |
| 9. | VISSUL INSPECTION | NA |
| 10. | TURN TABLE | 35000 VAIL |
| 11. | GUM LABLING MACHINE | 35000 VAIL |
| 12. | STICKER LABLING | 30000 |
| 13. | BLENDER MACHINE | 60KG |
| 14. | DYNAMIC PASS BOX | NA |
| 15. | DYNAMIC PASS BOX | NA |
| 16. | DYNAMIC PASS BOX | NA |
| 17. | LAMINAR AIR FLOW | NA |
| 18. | LAMINAR AIR FLOW | NA |
| 19. | LAMINAR AIR FLOW | NA |

Lift

| Sr. No. | Particulars | Capacity |
|---------|----------------|----------|
| 1. | MATERIAL LIFT | 600KG |
| 2. | MATERIAL LIFT | 600KG |
| 3. | PASSENGER LIFT | 408KG |

CAPACITY UTILIZATION

(Unit in lakhs)

| S.No. | Particulars | Facility | Installed Capacity | 2023-24 | | 2022-23 | | 2021-22 | |
|--|----------------|----------|--------------------|---------|-------|---------|-------|---------|-------|
| | | | | Unit | % | Unit | % | Unit | % |
| 1 | Tablets | Unit II | 2000.0 | 1696.0 | 84.8% | 1646.6 | 82.3% | 1135.9 | 56.8% |
| 2 | Capsules | | 1150.0 | 384.2 | 33.4% | 367.0 | 31.9% | 185.8 | 16.2% |
| 3 | Injectables | | 165.0 | 130.4 | 79.0% | 115.0 | 69.7% | 116.3 | 70.5% |
| 4 | Syrups & drops | | 201.3 | 94.4 | 46.9% | 98.0 | 48.7% | 52.8 | 26.2% |
| 5 | Softgel | Unit I | 640.0 | 410.0 | 64.1% | 420.0 | 65.6% | 380.0 | 59.4% |
| Water Purification Plant (RO Plant) | | | | | | | | | |
| <i>(Ltr. per hour)</i> | | | | | | | | | |
| 6 | Plant 1 | | 2500 | 1500 | 60.0% | 1500 | 60.0% | 1500 | 60.0% |
| 7 | Plant 2 | | 2500 | 1500 | 60.0% | 1500 | 60.0% | 1500 | 60.0% |
| 8 | Plant 3 | | 3000 | 1800 | 60.0% | 1800 | 60.0% | 1800 | 60.0% |

UTILITIES & INFRASTRUCTURE FACILITIES

Infrastructure Facilities

Our manufacturing units are situated in Baddi, Himachal Pradesh. Our manufacturing units are well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

Power

Amster Labs Limited has two manufacturing Units having below Address:

Unit 1: Khasra No. 504/412/254, Saraj Majra Gujran, Near Toll Plaza, baddi, Distt. Solan (HP)

Unit 2: Hiltop, Ind. Estate, Vill. Bhatauli kalan, Tehsil Baddi, Distt. Solan (HP)

For Power supply in unit 1, Amster Labs Limited has Power connection with Connected Load 348 KVA from Himachal Pradesh State Electricity Board Limited. Amster Labs Limited has also two Diesel Genset of 125 KVA each for power backup in the absence of power supply from Himachal Pradesh State Electricity Board Limited.

For Power backup in unit 2, Amster Labs Limited has Power connection with Connected Load 520 KVA from Himachal Pradesh State Electricity Board Limited. Amster Labs Limited has also Two Diesel Genset of 312.5 KVA (One DG Set -250 KVA and Second DG Set-62.5 KVA) for power backup in the absence of power supply from Himachal Pradesh State Electricity Board Limited.

Water

Our manufacturing units has adequate water supply arrangements for human consumption purpose. The requirements are fully met at the existing premises.

Background to water requirements and uses

1. Water is the most widely used substance, raw material or starting material in the production, processing and formulation of pharmaceutical products. It has unique chemical properties due to its polarity and hydrogen bonds.

This means it is able to dissolve, absorb, adsorb or suspend many different compounds. These include contaminants that may represent hazards in themselves or that may be able to react with intended product substances, resulting in hazards to health.

2. Control of the quality of water throughout the production, storage and distribution processes, including microbiological and chemical quality, is a major concern. Unlike other product and process ingredients, water is usually drawn from a system on demand, and is not subject to testing and batch or lot release before use. Assurance of quality to meet the on-demand expectation is, therefore, essential. Additionally, certain microbiological tests may require periods of incubation and, therefore, the results are likely to lag behind the water use.

3. Control of the microbiological quality of WPU is a high priority. Some types of microorganism may proliferate in water treatment components and in the storage and distribution systems. It is crucial to minimize microbial contamination by proper design of the system, periodic sanitization and by taking appropriate measures to prevent microbial proliferation.

Generation and distribution of purified water

The Purified water Storage and Distribution system consists of: -

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

Process of Water Purification

1. Raw water from bore well passed through sand filter and then through carbon filter with the help of pump to generate R.O. water
2. R.O water passed through membrane filter & store in a storage tank.
3. R.O water passed ion exchange resin (Anion cation & mixed bed) to produce purified water.
4. Purified water used for the generation of steam & WFI.

Air

Air is used for process, cleaning, instrumentation and for miscellaneous purpose. The source of air is from surrounding air.

All system –installed filters have removable cartridges and be supplied with calibrated pressure gauge, vent valve and drain valve. Both filters and dryers are positioned in technical area so that they are easily accessed for regular routine maintenance and Check Up.

Compressed air is generated by compressing atmospheric air by a screw Teflon coated machine (oil free). This compressed air is then de-humidified by passing through a heatless type (desiccant) air dryer, wherein dew point of -40 °C is achieved. The dried air is again stored in a dry air receiver. Air at the outlet is filtered through cartridge filter bank. Filtered air is used for process and general purpose.

The use points are categorised as “critical use points. & “non-critical “use points. Use points where air comes in the contact with the product/primary packing components are identified as critical use points. The use points where compressed air is used to run the various components of the machine only like pneumatic operation of valves and pistons & the air does not come in contact with the product were identified as “non-critical “use points.

Air quality of the “non-critical “use points therefore has not been checked. Only required air pressure at the use points has been confirmed.

HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

As of March 31, 2024, there are total of 64 employees all of which are on payroll basis and none of them are employees on contract basis. In addition to our own employees, our operations also involve additional workers who are hired on a contract labour basis.

We have encountered no significant work disruptions to date and we believe that we have maintained good relations with our employees.

DEPARTMENT WISE BREAK-UP

| Amster Labs Limited | |
|----------------------------|------------------|
| Description | No. of Employees |
| Admin and Support | 5 |
| Designing | 1 |
| Finance & Accounting | 9 |
| Marketing & Sales | 29 |
| Purchase | 1 |
| Production | 13 |
| Quality Department | 3 |
| Quality Control Department | 1 |
| Store | 2 |
| Total | 64 |

EMPLOYEE TURNOVER AND RETENTION CHALLENGES

Our organization is proud to maintain a nil employee turnover ratio, a testament to our positive work culture, employee engagement, and commitment to professional growth. This achievement reflects the strong alignment between our employees' values and the company's mission, fostering a stable and motivated workforce. By offering competitive benefits, career development opportunities, and a supportive environment, we ensure that our team remains satisfied and dedicated to their roles. This stability not only enhances operational efficiency but also strengthens long-term relationships with our clients and partners.

FINANCIAL ACHIEVEMENTS OF THE COMPANY

(Amount in Lakhs)

| Particulars | For the period ended 31 st March, 2024 | For the period ended 31 st December, 2023 | For the period ended 31 st March, 2023 | For the period ended 31 st March, 2022 |
|--------------------|---|--|---|---|
| Share Capital | 742.51 | 600.00 | 341.60 | 341.60 |
| Reserves & Surplus | 912.41 | 0.00 | 835.90 | 602.87 |
| Net Worth | 1,654.92 | 600.00 | 1,177.50 | 944.47 |
| Total Income | 3,531.90 | 8,262.68 | 10,526.21 | 9,649.39 |
| PAT | 579.92 | 341.30 | 243.04 | 122.76 |

COMPETITION

We operate in a competitive industry. We face competition in our business from large as well as mid-size corporates. There is a huge entry barrier in our industry when it comes to manufacturing goods like we do. We compete with our competitors on a regional or product line basis.

We believe that the principal factors affecting competition in our business include relative quality, client relationships, reputation, the abilities of employees, market focus, timely delivery and price of the services and products. We believe that our cost-effective and integrated offerings, our focus on customer satisfaction and our reliability combined with our quality consciousness provides us with competitive advantage in our business.

INSURANCE

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards.

Our Company has taken following insurance policies against any damage or loss:

| S. No. | Insurer | Description of Property Insured |
|--------|---|--|
| 1. | Future Generali India Insurance Company Limited. (Policy No: - F1856469) | Cover: Plant & Machinery, Furniture, Fixtures & Fittings and Stock. Address: Khasra no.504/412/254, near, toll tax Baddi, solan, Himachal Pradesh - 173205 Insured till 11.06.2025 IDV in Rs. 38,42,00,000 |
| 2. | Future Generali India Insurance Company Limited. (Policy No: - B0656073) | Cover: Stock Situated at both the locations of the Company Insured till 11.06.2025 IDV in Rs. 29,20,00,000 |
| 3. | Future Generali India Insurance Company Limited. (Policy No: - F1862613) | Cover: Building including Plinth & Foundation Address: Khasra No. 1296/1, Hilltop, Industrial Estate, Village Bhatauli Kalan, Teh Baddi, Distt Solan Himachal Pradesh-173205 Insured till 17.06.2025 IDV in Rs. 7,30,00,000 |

LAND & PROPERTIES

1. Properties owned by the company:

As on the date of this Red Herring Prospectus, our company own following immovable properties:

| S. No. | Particulars | Address | Area | Nature of Ownership | Name of Owner |
|--------|---------------|---|----------------|---------------------|-------------------------|
| 1. | Manufacturing | Hilltop Industrial Estate Village Bhatauli Kalan Tehsil Baddi Distt Solan | 51,800 Sq. Mt. | Owned | M/s Amster Labs Unit-II |

2. Properties taken on lease by our company:

The Details of the Immovable property taken on lease basis is given here below:

| S. No. | Particulars | Address | Area | Nature of Ownership | Name of Owner | Consideration |
|--------|---------------|---|---|--|---|--|
| 1. | Head office | SCO 166-167 1st Floor Sector 9 C Chandigarh | 2800 sq. ft. | Lease 01.06.2020 – 30.04.2025 | Sushila Estates Private Limited | Lease Rent Rs. 1,55,000/- per month |
| 2. | Manufacturing | Building No 69 Village Makhanmajra Chandigarh | 3000 sq. ft. | Lease 13.10.2023- 12-09-2024 | Daljit Kaur | Lease Rent Rs. 55,000/- per month |
| 3. | Manufacturing | Plot No 70 Village Makhanmajra Chandigarh | 2000 sq. ft. | Lease 01.01.2024- 30.11.2024 | Surinder Singh | Lease Rent Rs. 15,000/- per month |
| 4. | Manufacturing | Village Saraj Majra Gujjaran Near Toll Plaza Baddi The Property is divided into three khasra numbers with the following details: 1. K K 50/52, Min Khasra No- 503/412/254/ 509/255 2. Khasra 504/ 412/254/ 505/412/254, 510/255, 3. Khasra no – 338/266 | 1. 2530 sq. ft. 2. 13940 sq. ft. 3. 1800 sq. ft. | Lease period 1. period of 6 years from 01.10.2021 2. period of 6 years from 01.01.2024 3. period of 6 years from 01.03.2022 | 1. Sanotsh 2. Sunita Devi 3. Mustak Mohammad | Lease Rent 1. Rs. 38,000/- per month 2. Rs. 2,60,918/- per month 3. Rs. 25,000/- per month |

INTELLECTUAL PROPERTY RIGHTS

TRADEMARK AND WORDMARK : We have applied for registration of the following Trademarks with the Trademarks Registry, Government of India. The details of the trademark applications are as under:

| <i>Trademark/Wordmark</i> | <i>Date of application</i> | <i>Application number</i> | <i>Class</i> | <i>Current Status</i> |
|---------------------------|----------------------------|---------------------------|--------------|-----------------------|
| APODIME | 30.08.2010 | 2016156 | 5 | Registered |
| APOLACTIN | 30.08.2010 | 2016157 | 5 | Registered |
| APOCLOB | 30.08.2010 | 2016158 | 5 | Registered |
| APX LIFESCIENCES | 08.09.2010 | 2020410 | 35 | Registered |
| ROXSALEN | 31.01.2023 | 5786234 | 5 | Registered |
| CRANZE | 08.09.2010 | 2020413 | 5 | Registered |
| CONATE | 21.10.2010 | 2041589 | 5 | Registered |
| DIKIN | 21.10.2010 | 2041587 | 5 | Registered |
| CLEARTUMMY | 27.08.2010 | 2014884 | 5 | Registered |
| DAYPRO | 08.09.2010 | 2020416 | 5 | Registered |
| EYEESEE | 27.08.2010 | 2014881 | 5 | Registered |
| GAPFIL | 08.09.2010 | 2020411 | 5 | Registered |
| JOINTPRO | 27.08.2010 | 2014878 | 5 | Registered |
| HYTREK | 30.08.2010 | 2016154 | 5 | Registered |
| INIGRO | 27.08.2010 | 2014879 | 5 | Registered |
| MESHLIV | 08.09.2010 | 2020412 | 5 | Registered |
| ROELCAV | 27.06.2019 | 4218209 | 5 | Registered |
| QCILTAN | 27.06.2019 | 4218207 | 5 | Registered |
| PALGIC | 30.08.2010 | 2016151 | 5 | Registered |
| PNEUAZ | 27.06.2019 | 4218199 | 5 | Registered |
| SCOGABA | 08.09.2010 | 2020419 | 5 | Registered |
| YITOSAM | 27.06.2019 | 4218206 | 5 | Registered |
| SCOSHIA | 08.09.2010 | 2020415 | 35 | Registered |
| SCOZYME | 08.09.2010 | 2020417 | 5 | Registered |
| YIDOFLAM | 27.06.2019 | 4218202 | 5 | Registered |
| TELOXOTAN | 27.06.2019 | 4218197 | 5 | Registered |
| UNIRUS | 27.08.2010 | 2014883 | 5 | Registered |
| XULJIN | 27.06.2019 | 4218212 | 5 | Registered |
| UBIWASTEN | 27.06.2019 | 4218196 | 5 | Registered |
| AMSTER LABS | 02.07.2019 | 4223645 | 35 | Registered |
| AMSTER LABS | 05.04.2023 | 5880356 | 5 | Objected |

Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

WEBSITE DETAILS

| Domain name | Sponsoring Registrar | Creation Date | Registry Expiry Date | sponsoring Registrar |
|---|----------------------|---------------|----------------------|----------------------|
| https://www.amster.in/ | GoDaddy.com | 27.06.2023 | 26.06.2026 | Godaddy |

COLLABORATIONS

Except as disclosed in this Draft Red Herring Prospectus and in our normal course of business, we do not have any collaboration as on date.

EXPORT OBLIGATION

Our Company does not have any export obligations, as on date of this Draft Red Herring Prospectus. We are only exporting our goods on the basis of purchase orders received and that to non-regulated countries.

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KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Draft Red Herring Prospectus, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.

Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business. Taxation statutes such as the I.T. Act, GST and applicable Labour laws, contractual laws, and intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and are neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, it is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page [.] of this Draft Red Herring Prospectus.

RELATED TO OUR BUSINESS***The Drugs and Cosmetics Act, 1940 (Drugs and Cosmetics Act), Drugs and Cosmetics Rules, 1945 (Drugs and Cosmetics Rules)***

Drugs and Cosmetics Act regulates the import, manufacture, distribution and sale of drugs and cosmetics in India including labelling, packing, and testing as well as matters pertaining to drug formulations and its active ingredients. It prohibits the manufacture and sale of certain drugs and cosmetics which are misbranded, adulterated or spurious. Drugs and Cosmetics Act empowers the Central government to prescribe rules for testing and licensing new drugs. The procedures under the Drugs and Cosmetics Act and the Drugs and Cosmetics Rules provide for obtaining a series of approvals at different stages of testing drugs before the Drugs Controller, India and/or respective state licensing authority which grants the final license to allow the drug to be manufactured and marketed.

The Drugs and Cosmetics Rules mandate that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authority.

Drugs, Medical Devices and Cosmetics Bill, 2022 (the “Drugs Bill, 2022”)

In July 2022, the Ministry of Health and Family Welfare, Government of India, released a draft of the Drugs Bill, 2022. The Drugs Bill, 2022 is proposed to amend and consolidate the laws relating to, *inter alia*, import, manufacture, distribution and sale of drugs and medical devices and cosmetics as well as the law relating clinical trials of new drugs and clinical investigation of investigational medical devices. The Drugs Bill, 2022 lays down the standards of the quality of imported drugs and cosmetics and circumstances under which these would be deemed to be adulterated, spurious and misbranded. Under the Drugs Bill, 2022, the central government has the power to prohibit or restrict or regulate the import of drugs and cosmetics in public interest including to meet the requirements of an emergency arising due to epidemic or natural calamities. Further, it lays down the standards of quality for manufacture, sale and distribution of drugs and cosmetics and clinical trial of drugs. The Drugs Bill, 2022 also proposes establishment of several boards and committees to assist and advise the Central and State Governments in the administration and regulation of drugs, cosmetics and medical devices.

While the Ministry of Health and Family Welfare, Government of India, had intended to table the Drugs, Medical Devices and Cosmetics Bill, 2023 (“*Drugs Bill, 2023*”) in the Parliament in its Monsoon session this year, the same was, eventually, not tabled. The Drugs Bill, 2023 sought to repeal the Drugs Act. It

also sought to regulate the import, manufacture, distribution and sale of drugs, medical devices, and cosmetics, and provide for regulatory standards to ensure their quality, safety, efficacy and performance.

Cosmetics Rules, 2020 (the “Cosmetic Rules”)

Under the Cosmetic Rules, no cosmetic shall be imported into India unless the product has been registered in accordance with these rules by the central licensing authority i.e., the Drugs Controller General of India, appointed by the Central Government. Further, any person who intends to manufacture cosmetics shall make an application for grant of a license or loan license to manufacture for sale or for distribution to the state licensing authority. Also, it needs to be ensured that if cosmetics are manufactured at more than one premises, a separate license is obtained for each such premises. Under the Cosmetic Rules, each batch of the raw materials used for manufacturing the cosmetics, and also each batch of the final product is required to be tested and the records or registers showing the particulars in respect of such tests is required to be maintained. The Cosmetic Rules further prescribes the labelling and packaging requirements to be followed for sale or distribution of cosmetics of Indian origin.

Drugs (Control) Act, 1950 (the “Drugs Control Act”)

The Drugs Control Act provides for control of sale, supply, and distribution of drugs. Under the Drugs Act, any drug may be declared by the Central Government by notification to be a drug within its purview. The authorities may also prohibit the disposal or direct the sale of any specified drug.

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

The DPCO has been notified under the Essential Commodities Act, 1955 (“ECA”). The first schedule to the DPCO consists of a list of essential medicines or formulations. In relation to these scheduled formulations, the DPCO inter alia prescribes the method for calculating the ceiling price and provides that the Government shall fix and notify the ceiling prices. The DPCO also prescribes the method for calculating the retail price of a new drug in the domestic market for existing manufacturers of scheduled formulations. Further, under the DPCO, the Government has been assigned the task to monitor the production and availability of scheduled formulations and the active pharmaceutical ingredients contained in the scheduled formulation.

The Narcotic Drugs and Psychotropic Substances Act, 1985 (the “NDPS Act”)

The NDPS Act is a legal framework which seeks to control and regulate the operations relating to narcotic drugs and psychotropic substances. It prohibits, inter alia, the cultivation, production, manufacture, possession, sale, purchase, transportation, warehousing, consumption, inter-state movement, import into India and transshipment of narcotic drugs and psychotropic substances, except for medical or scientific purposes. Offences under the NDPS Act are essentially related to violations of the various prohibitions imposed under the NDPS Act, punishable by either imprisonment or monetary fines or both.

The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 (the “DMRA”)

The DMRA seeks to control advertisements of drugs in certain cases and prohibits advertisement of remedies that claim to possess magic qualities. In terms of the DMRA, advertisements include any notice, circular, label, wrapper or other document and any announcement made orally or by any means of producing or transmitting light, sound or smoke. It also specifies the ailments for which no advertisement is allowed. DMRA prohibits advertisements that give false impression regarding the true character of a drug, make false claims for a drug, or are otherwise false or misleading in any material particular. Further, the Drugs and Magic Remedies (Objectionable Advertisements) Rules, 1955 have been framed for effective implementation of the provisions of the DMRA.

The Dangerous Drugs Act, 1930 (the “Dangerous Drugs Act”)

The Dangerous Drugs Act centralises and vests in the Central Government the control over certain operations relating to dangerous drugs. Dangerous drugs have been defined to include coca leaf, hemp and opium, and all manufactured drugs. It enables the Central Government to prescribe the method by which percentages in the case of liquid preparations shall be calculated for the purposes of coca leaf, coca derivative, opium and opium derivative. The Dangerous Drugs Act prohibits the cultivation of coca plant,

manufacture and possession of prepared opium and import into India and export from India, tranship or sell prepared opium. The Central Government is also enabled to control the production and supply of opium and also the manufacture of manufactured drugs. Violations of the provisions of the Dangerous Drugs Act entail punishments including imprisonment or fine or both.

The Poisons Act, 1919 (the “Poisons Act”)

The Poisons Act enables state governments to grant licenses for the possession, sale, wholesale or retail of poisons and fixing of the fee, if any, to be charged for such licenses. The Poisons Act also enables state governments to regulate the classes of persons to whom such license may be granted, the maximum quantity of poison which may be permitted to be sold, etc.

The Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome (Prevention and Control) Act, 2017 (the “HIV Act”)

The HIV Act aims for the prevention and control of the spread of human immunodeficiency virus and acquired immune deficiency syndrome. It defines a protected person as someone who is HIV-positive or ordinarily living, residing or cohabiting with a person who is HIV-positive person or ordinarily lived, resided or cohabited with a person who was HIV-positive. The HIV Act prohibits discrimination against protected persons on grounds like the denial of, or termination from, employment or occupation, unless under specified circumstances; the unfair treatment in, or in relation to, employment or occupation; the denial or discontinuation of, or unfair treatment in, educational, establishments and services thereof etc. The HIV Act also prohibits certain acts which may reasonably be construed to demonstrate an intention to propagate hatred or which is likely to expose protected persons to hatred, discrimination or physical violence. Further, informed consent is required for undertaking HIV test or treatment of any person, unless under specified exemptions.

The Pharmacy Act, 1948 (the “Pharmacy Act”)

The Pharmacy Act regulates the profession and practice of pharmacy and for that purpose to constitutes pharmacy councils. It provides for establishment of the Pharmacy Council of India and the State Pharmacy Councils. It has provisions for, inter alia, the registration of pharmacists and consequent penalties in the event of non-registration, false registration etc.

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

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

The New Drugs and Clinical Trial Rules, 2019 (the “NDC Rules”)

The clinical trials in India are controlled by the Directorate General (“DG”) of health services under the Ministry of Health and Family Welfare, Government of India. The NDC Rules lay down the process mechanics and guidelines for clinical trials, including procedure for approval for clinical trials. Clinical trials require obtaining of free, informed, and written consent from each study subject. The NDC Rules also provide for compensation in case of injury or death caused during the clinical trials. The Central Drugs Standard Control Organization has issued the guidance for industry for submission of clinical trial application for evaluating safety and efficacy, for the purpose of submission of clinical trial application as required under the NDC Rules. Further, under the NDC Rules, the ethics committee constituted thereunder is required to register itself with the central licensing authority in order to conduct any clinical trial, bioavailability study or bioequivalence study. The NDC Rules further provide for the composition and functions of the ethics committee and its period of validity. The NDC Rules further mandate the

maintenance of records for a period of five years after completion of the clinical trial, bioavailability study or bioequivalence study, as the case may be.

Guidelines for Good Clinical Laboratory Practices 2021 (the “GCLP Practices”)

The GCLP Practices are a set of principles that define a quality system concerned with the organisational process and the conditions under which laboratory studies are planned, performed, monitored, recorded, archived and reported. It is intended to promote quality test data. The GCLP Guidelines establish minimum criteria which should be followed by clinical and research laboratories involved in examining human samples, in routine healthcare delivery and clinical research, respectively, in addition to internationally accepted guidelines. All clinical laboratories wherein human samples are processed, may be tested under the following disciplines (but not limited to) for diagnosis, patient care, disease control and clinical research should follow good clinical laboratory practices: microbiology and infectious disease serology, haematology and blood banking, molecular biology and molecular pathology, clinical pathology, clinical biochemistry-routine and special (TDM, immunoassays), histopathology and cytopathology, histopathology and cytopathology.

The Clinical Establishments (Registration and Regulation) Act, 2010

The Clinical Establishments (Registration and Regulation) Act, 2010 is a key piece of legislation in India aimed at regulating and standardizing clinical establishments to ensure quality healthcare services. Enacted to address issues related to the registration, regulation, and accreditation of healthcare facilities, the Act seeks to improve the delivery of medical services and protect patient rights. It mandates that all clinical establishments, including hospitals, clinics, nursing homes, and diagnostic centers, must be registered with the appropriate state authorities. Under this Act, the Clinical Establishments (Registration and Regulation) Rules provide a framework for the registration process, specifying the minimum standards of infrastructure, equipment, and personnel required for various types of healthcare facilities. The Act also stipulates the need for periodic inspections and compliance checks to ensure that these standards are maintained. It outlines the process for renewal of registration and provides for penalties and suspension of licenses for establishments that fail to meet the prescribed standards or are involved in malpractices.

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

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

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as micro enterprise, where the investment in plant and machinery does not exceed twenty-five lakh rupees; Small enterprise, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise,

where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, Micro enterprise, where the investment in equipment does not exceed ten lakh rupees, Small Enterprise where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or Medium Enterprise where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

The Petroleum Act, 1934 (“Petroleum Act”) and Petroleum Rules, 2002

The Petroleum Act was passed to consolidate and amend the laws relating to the import, transport, storage, production, refining and blending of petroleum. The Petroleum Act provides that no one shall import, transport, or store any petroleum and produce, refine or blend petroleum save in accordance with the rules made the Petroleum Act. Section 23 provides the penalty for contravention of the Petroleum Act and the Petroleum Rules. The Petroleum Rules lay down rules in relation to inter alia restriction on delivery and dispatch of petroleum, importation of petroleum, and transportation of petroleum.

Food Safety and Standards Act, 2006 (“FSSA”) and rules and regulations made thereunder

The FSSA was enacted with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India (“FSSAI”) for laying down scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The FSSAI has been established under section 4 of the FSSA. Section 16 of the FSSA lays down the functions and duties of the FSSAI including FSSAI’s duty to provide scientific advice and technical support to the Government of India and the state governments in framing the policy and rules relating to food safety and nutrition. The FSSA also sets out requirements for licensing and registering food businesses, general principles for food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by the Food Safety Appellate Tribunal. The FSSA also lays down penalties for various offences (including recall procedures). In addition to the FSSA, the following rules and regulations passed under the FSSA are applicable to our Company:

- Food Safety and Standards Rules, 2011;
- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- Food Safety and Standards (Food Recall Procedure) Regulations, 2017;
- Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011;
- Food Safety and Standards (Contaminants, Toxins and Residues) Regulations, 2011;
- Food Safety and Standards (Packaging) Regulations, 2018; and
- Food Safety and Standards (Labelling and Display) Regulations, 2020.

Legal Metrology Act, 2009 (the “LM Act”) and the Legal Metrology (Packaged Commodities) Rules, 2011 (the “LM Rules”)

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or number. The LM Act provides for inter alia standard weights and measures and requirements for verification and stamping of weight and measure. LM Rules inter alia provide that certain commodities shall be packed for sale, distribution and delivery in standard quantities as laid down under the LM Rules. LM Rules also provide for declarations that must be made on packages, where those declarations should appear on the package and the manner in which the declaration is to be made.

Bureau of Indian Standards Act, 2016 (the “BIS Act”)

The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity. The BIS Act enables the Central Government to appoint any authority/agency, in addition to the BIS, to verify the conformity of products and services to a standard and issue certificate of conformity. Further, there is also a provision for repair or recall, including product liability of the products bearing standard mark but not conforming to the relevant Indian Standard.

Consumer Protection Act, 2019 (the “Consumer Protection Act”) and the rules made thereunder

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” under the Consumer Protection Act also includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

The Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 (“Advertisement Guidelines”)

The Advertisement Guidelines provide for the prevention of false or misleading advertisements and making endorsements relating thereto. The Advertisement Guidelines apply inter alia to a manufacturer and to all advertisements regardless of form, format or medium. The Advertisement Guidelines lay down the conditions for non-misleading and valid advertisement and prohibit surrogate or indirect advertisements of goods or services whose advertising is prohibited or restricted by law, by portraying it to be an advertisement for other goods or services, the advertising of which is not prohibited or restricted by law. Further, the Advertisement Guidelines lay down duties of inter alia a manufacturer and provide inter alia that every manufacturer shall ensure that all descriptions, claims and comparisons in an advertisement which relate to matters of objectively ascertainable facts shall be capable of substantiation. The Advertisement Guidelines further provide that any endorsement in an advertisement must reflect the genuine, reasonably current opinion of the individual, group or organisation making such representation and must be based on adequate information about, or experience with, the identified goods, product or service and must not otherwise be deceptive.

The Collection of Statistics Act, 2008 (the “Statistics Act”)

The Statistics Act enables the central, state and local governments to direct that the statistics on economic, demographic, social, scientific and environmental aspects shall be collected through a statistical survey or otherwise and thereupon, the provisions of the Statistics Act would apply to such statistics. The central or the state government have also been enabled to appoint a nodal officer for the purposes of statistics under the Act. The appropriate government i.e., the Central Government or the State Government or the Union Territory Administration or the local government, as the case may be can also appoint statistics officers for any geographical unit for the purpose of collecting any statistics directed by it.

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up and business operations exists, such establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments’ acts, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

The Warehousing (Development & Regulation) Act, 2007 (the “Warehousing Act”)

The Warehousing Act makes provisions for the development and regulation of warehouses, negotiability of warehouse receipts, establishment of a Warehousing Development and Regulatory Authority etc. It prohibits the commencement or carrying on the warehousing business by any person unless it has obtained a registration certificate in respect of the concerned warehouse or warehouses granted by the Authority under the Warehousing Act. It makes a warehouseman liable for loss of, or injury to, goods caused by his failure to exercise such care and diligence in regard to the goods as a careful and vigilant

owner of the goods of the same bulk, quality and value would exercise in the custody of them in similar conditions.

The Indian Boilers Act, 1923 (the “Boilers Act”) and the Indian Boiler Regulations, 1950 (the “Boilers Regulations”)

The Boilers Act inter alia provides that no owner of a boiler shall use the boiler or permit it to be used unless it has been registered in accordance with the provisions of this Boilers Act. Under the Boilers Act, “boiler” means a pressure vessel in which steam is generated for use external to itself by application of heat which is wholly or partly under pressure when steam is shut off. The Boilers Act also provides for penalties for illegal use of boilers, penalty for breach of rules and other penalties. The Boilers Regulations provide for inter alia, standard requirements with respect to material, construction, safety and testing of boilers.

The Explosives Act, 1884 (“Explosives Act”) and the Rules thereunder

The Explosives Act is a comprehensive law which regulates by licensing the manufacturing, possession, sale, transportation, export and import of explosives. Under the Explosives Act, “explosive” means inter alia any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic effect shall fall under the Explosives Act. The Central Government may, for any part of India, make rules consistent with this act to regulate or prohibit, except under and in accordance with the conditions of a license granted as provided by those rules, the manufacture, possession, use sale, transport, import and export of explosives, or any specified class of explosives. Extensive penalty provisions have been provided for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the Explosives Act. In furtherance to the purpose of the Explosives Act, the Central Government has notified the Explosive Rules and other related rules like Gas Cylinder Rules, 2016, Static and Mobile Pressure Vessels (Unfired) Rules, 2016 in order to regulate the manufacture, import, export, transport and possession for sale or use of explosives etc.

Information Technology Act, 2000 (the “IT Act”)

The IT Act seeks to provide legal recognition to transactions carried out by various means of electronic data interchange and other means of electronic communication and facilitate electronic filing of documents with the Government agencies. The IT Act also creates a mechanism for the authentication of electronic documentation through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information generated, transmitted, received or stored in any computer source in the interest of sovereignty, integrity, defence and security of India, among other things.

The Sales Promotion Employees (Conditions of Service) Act, 1976 (the “Sales Promotion Act”)

The Sales Promotion Act regulates certain conditions of service of sales promotion employees and applies to pharmaceutical industry. It provides, inter alia, conditions of appointment and leave of sales promotion employees and maintenance of registers and other documents of such employees.

Property Related Laws

Transfer of Property Act, 1882

The Transfer of Property Act, 1882 governs the transfer of immovable property in India. This Act lays down the legal framework for the transfer of property rights, including the sale, mortgage, lease, and gift of real estate. It outlines the procedures and conditions under which property can be legally transferred from one party to another, ensuring that transactions are conducted in a lawful manner.

The Act defines various types of property transfers and provides guidelines for executing and registering such transfers, aiming to protect the interests of all parties involved and to prevent disputes. One of the key features of the Act is its detailed provisions on the transfer of property through sale and mortgage. It specifies the requirements for a valid sale deed, including the necessity of a written instrument and registration with the relevant authorities. The Act also addresses the legal implications of mortgages, detailing the rights and obligations of both mortgagors and mortgagees. Additionally, it covers lease agreements, providing a framework for the duration, terms, and conditions of lease contracts. Overall, the Transfer of Property Act, 1882 ensures transparency and fairness in property transactions, contributing to a stable real estate market.

Registration Act, 1908 (The “Registration Act”)

The Registration Act has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the TP Act or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

The Indian Stamp Act, 1899

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. The Indian Stamp Act, 1899 (the —Stamp Act) provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at all. Instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

Indian Easements Act, 1882 (The “Easement Act”)

An easement is a right which the owner or occupier of land possesses for the beneficial enjoyment of that land, and which permits him to do or to prevent something from being done, in or upon, other land not his own. Under the Easements Act, a license is defined as a right to use property without any interest in favour of the licensee. The period and incident may be revoked and grounds for the same may be provided in the license agreement entered in between the licensee and the licensor.

State Law

The Punjab Shops and Commercial Establishments Act, 1958

The Punjab Shops and Commercial Establishments Act, 1958 governs the registration, regulation, and management of shops and commercial establishments in the Union Territory of Chandigarh. This

legislation aims to ensure fair labor practices and provide a structured framework for the operation of businesses within its jurisdiction. Under the Act, all shops and commercial establishments are required to register with the local labor authorities and obtain a registration certificate. The Act mandates that businesses adhere to prescribed standards for working hours, rest periods, and weekly offs to promote employee welfare and prevent exploitation.

The Act outlines specific provisions regarding employment conditions, including the timely payment of wages, maintenance of employment records, and entitle ents to various types of leave such as casual, sick, and annual leave. It also addresses health and safety requirements to ensure a safe working environment. Moreover, the Act prohibits the employment of children below a specified age, aligning with broader labor welfare standards. By enforcing these regulations, the Punjab Shops and Commercial Establishments Act, 1958, aims to create a balanced and equitable working environment for employees while facilitating smooth and lawful business operations in Chandigarh.

Environmental Legislation

Environment Protection Act, 1986 (the “EP Act”), Environment Protection Rules, 1986 (the “EP Rules”) and EIA Notification, 2006 (the “EIA”)

The EP Act has been enacted with an objective of protection and improvement of the environment and for matters connected therewith. As per the EP Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EP Act, including the power to direct the closure, prohibition or regulation of any industry, operation, or process. The EP Rules prescribes the standards for emission or discharge of environmental pollutants from industries, operations, or processes, for the purpose of protecting and improving the quality of the environment and preventing and abating environmental pollution. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

The Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)

The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions. The Parliament of India has recently passed the Water (Prevention and Control of Pollution) Amendment Act, 2024, which seeks to amend the Water Act to, inter alia, decriminalize certain offences, increased penalties for violation of the provisions of the Water Act in the range of ₹ 10,000 to ₹ 1,500,000.

The Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)

The Air Act provides for the prevention, control and abatement of air pollution. Under the Air Act, the State Government may, after consultation with the state pollution control board declare, any area or areas within the State as air pollution control area or areas for the purposes of the Air Act. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. Further, under section 22 of the Air Act, no person operating any industrial plant in any air pollution control area shall discharge or permit or cause to be discharged the emission of any air pollutant in excess of the standards laid down by the state pollution control board. The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”)

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste. Under the Hazardous Waste Rules, “hazardous waste” inter alia means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

The Manufacturing, Storage & Import of Hazardous Chemicals Rules, 1989 (the “MSIHC Rules”)

The MSIHC Rules apply to an industrial activity in which a hazardous chemical, as stipulated in Schedule I of the MSIHC Rules, is involved, or the isolated storage of a hazardous chemical listed in Schedule II of the MSIHC Rules. The MSIHC Rules stipulate that an occupier in control of an industrial activity has to take adequate steps to prevent major accidents and to limit their consequences to persons and the environment. Further, the occupier is under an obligation to notify the concerned authority on the occurrence of a major accident on the site or pipeline within 48 hours.

Bio-Medical Waste Management Rules, 2016 (the “BMW Rules”)

The BMW Rules have been made under the EP Act and is applicable to all persons who generate, collect, receive, store, transport, treat, dispose or handle bio-medical waste in any form. The BMW Rules mandate every occupier of an institution generating bio-medical waste to take all necessary steps to ensure that such waste is handled without any adverse effect to human health and environment and inter alia to make a provision within the premises for a safe, ventilated and secured location for storage of segregated bio-medical waste, pre-treat laboratory waste and provide training to workers involved in handling bio-medical waste. The BMW Rules further require every occupier or operator handling bio-medical waste to apply to the prescribed authority for grant of authorization and submit an annual report to the prescribed authority and also to maintain records related to the generation, collection, receipt, storage, transportation, treatment, disposal, or any form of handling of bio-medical waste in accordance with the BMW Rules and the guidelines issued thereunder. Section 15 of the EP Act provides that whoever fails to comply with or contravenes any of the provisions of this Act, or the rules made or orders or directions issued thereunder, would be punishable with fine or imprisonment or both.

The Public Liability Insurance Act, 1991 (the “PLI Act”) and the Public Liability Insurance Rules, 1991 (the “PLI Rules”)

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the PLI Act, the owner or handler is also required to take out an insurance policy insuring against liability. The PLI Act also provides for the establishment of the Environmental Relief Fund, which shall be utilized towards payment of relief granted under the Public Liability Act. The PLI Rules mandate the employer to contribute a sum equal to the premium paid on the insurance policies towards the Environmental Relief Fund.

The Batteries (Management and Handling) Rules, 2001 (the “Batteries Rules”)

The Batteries Rules apply to every manufacturer, importer, re-conditioner, assembler, dealer, recycler, auctioneer, consumer, and bulk consumer involved in manufacture, processing, sale, purchase and use of batteries or components thereof. It provides for different kinds of responsibilities of manufacturer, importer, assembler, re-conditioner, dealer, recycler, consumer and bulk consumer. Inter alia such responsibilities include: setting up collection centres either individually or jointly at various places for collection of used batteries from consumers or dealers by the manufacturer, importer, assembler and re-conditioner; giving appropriate discount for every used battery returned by the consumer by the dealer;

mark 'Recycled' on lead recovered by reprocessing by the recyclers and ensuring that used batteries are not disposed of in any manner other than by depositing with the dealer/manufacturer/registered recycler/importer/ re-conditioner or at the designated collection centres by the bulk consumers.

The Plastic Waste Management Rules, 2016 (the “Plastic Rules”)

The Plastic Rules give thrust on plastic waste minimisation, source segregation, recycling, involving waste pickers, recyclers and waste processors in collection of plastic waste fraction either from households or any other source of its generation or intermediate material recovery facility and adopt polluter's pay principle for the sustainability of the waste management system. The manufacture, import, stocking, distribution, sale and use of carry bags, plastic sheets or like, or cover made of plastic sheet and multi-layered packaging, shall be, inter alia, subject to the following conditions like: carry bags and plastic packaging shall either be in natural shade which is without any added pigments or made using only those pigments and colourants which are in conformity with Indian Standard: IS 9833:1981, sachets using plastic material shall not be used for storing, packing or selling gutkha, tobacco and pan masala, etc.

The E-waste Management Rules, 2016 (the “E-waste Rules”)

E-waste means electrical and electronic equipment, whole or in part discarded as waste by the consumer or bulk consumer as well as rejects from manufacturing, refurbishment and repair processes. The E-waste Rules provide for different responsibilities of the manufacturer, producer, consumer, bulk consumer, collection centres, dealers, e-retailer, refurbisher, dismantler and recycler involved in manufacture, sale, transfer, purchase, collection, storage and processing of e-waste or electrical and electronic equipment listed in Schedule I of the E-waste Rules. The State Government is also responsible for earmarking or allocation of industrial space or shed for e-waste dismantling and recycling in the existing and upcoming industrial park, estate and industrial clusters.

The Chemical Accidents (Emergency Planning, Preparedness, and Response) Rules, 1996 (the “Chemical Accident Rules”)

The Chemical Accidents Rules formulated pursuant to the provisions of the EP Act, seek to manage the occurrence of chemical accidents, by inter alia, setting up a central crisis group and a crisis alert system. The functions of the central crisis group inter alia include, (i) conducting post-accident analysis of major chemical accidents; (ii) rendering infrastructural help in the event of a chemical accident; and (iii) review district off site emergency plans.

Labour Law legislations

The Factories Act, 1948, as amended (the “Factories Act”), defines a “factory” to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

The Building and Other Construction Workers’ Welfare Cess Act, 1996 (“Construction Workers Act”) provides for the levy and collection of a cess from an employer on the cost of construction incurred by employers with a view to augmenting the resources of the Building and Other Construction Workers’ Welfare Boards constituted under the Construction Workers Act.

The Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA”) regulates the employment of contract labour in certain establishments. The CLRA provides that the appropriate Government may, after consultation with the Central or State Advisory Boards (constituted under the CLRA), prohibit employment of contract labour in any process, operation or other work in any establishment.

In addition to the Factories Act, the Construction Workers Act, and the CLRA the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The various other labour and employment-related legislations (and rules issued thereunder) that

may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- Apprentices Act, 1961.
- Employee's Compensation Act, 1923.
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- Employees' State Insurance Act, 1948.
- The Equal Remuneration Act, 1976.
- Maternity Benefit Act, 1961.
- Minimum Wages Act, 1948.
- Payment of Bonus Act, 1965.
- Payment of Gratuity Act, 1972.
- Payment of Subsistence Allowance Act, 1988.
- Payment of Wages Act, 1936.
- The Child Labour (Prohibition and Regulation) Act, 1986.
- The Labour Welfare Fund Act, 1965.
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, namely:

- a) The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020, and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. This code proposes to provide for, among other things, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.
- b) The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020, and proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The Industrial Relations Code, 2020 will come into effect on a date to be notified by the Central Government.
- c) The Code on Wages, 2019 received the assent of the President of India on August 8, 2019. Through its notification dated December 18, 2020, the Government of India brought into force certain sections of the Code on Wages, 2019. The remaining provisions of this code will be brought into force on a date to be notified by the Government of India. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.
- d) The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020. Through its notification dated April 30, 2021, the Government of India brought into force section 142 of the Code on Social Security, 2020. The remaining provisions of this code will be brought into force on a date to be notified by the Government of India. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972.

Intellectual Property Laws

The Trade Marks Act, 1999 (the "Trademarks Act")

The Trademarks Act governs the statutory protection of trademarks and prohibits any registration of deceptively similar trademarks, among others. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading, and to obtain relief in case of infringement of such marks. Indian law permits the registration of trademarks for both goods and services. Under the provisions

of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trade mark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration are required to be restored. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010 (“Trademark Amendment Act”) simultaneous protection of trademarks in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark Amendment Act also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice.

The Patents Act 1970 (the “Patents Act”)

The Patents Act governs the patent regime in India. A patent under the Patents Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

The Copyright Act, 1957 and the Copyright Rules, 2013 (the “Copyright Rules”)

The Copyright Laws governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Laws acts as a prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions

Foreign Investment and Trade Regulations

Foreign Investment Regulations

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999, as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time (the “Consolidated FDI Policy”). Under the current Consolidated FDI Policy, foreign direct investment in companies engaged in the pharmaceutical sector is permitted up to 100% of the paid-up share capital in greenfield projects and up to 74% of the paid-up share capital in brownfield projects under the automatic route, subject to compliance with certain prescribed pricing guidelines and reporting requirements. Investment in brownfield projects beyond 74% is permissible through government approval route.

Foreign Trade (Development and Regulation) Act, 1992 (the “FTA”)

The FTA seeks to provide for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTA provides that no person shall make any import or export except under an importer-exporter code number (“IEC”) granted by the Director General of Foreign Trade, Ministry of Commerce (“DGFT”). The IEC granted to any person may be suspended or cancelled inter alia in case the person contravenes any of the provisions of FTA or any rules or orders made thereunder or the DGFT or any other officer authorized by him has reason to believe that any person has made an export or import in a manner prejudicial to the trade relations of India. Any person who makes any export or import in contravention of any provision of this Act or any rules or orders made thereunder or the foreign trade policy would become liable to a penalty under the FTA. Under section 5 of the FTA the Central Government has notified the Foreign Trade Policy 2023.

Customs Act, 1962 (the “Customs Act”)

Under the Customs Act, the Central Government has the power to prohibit either absolutely or subject to such conditions, the import or export of goods of any specified description. Further, the Central Government may specify goods of such class or description, if it is satisfied that it is necessary to take special measures for the purpose of checking the illegal import, circulation or disposal of such goods.

Laws Relating to Taxation

The Goods and Service Tax Act, 2017

The Goods and Services Tax (“GST”) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 (“CGST”), relevant state’s Goods and Services Act, 2017 (“SGST”), Union Territory Goods and Services Act, 2017 (“UTGST”), Integrated Goods and Services Act, 2017 (“IGST”), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Income-Tax Act, 1961

Income-tax Act, 1961 (the “Income Tax Act”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the Income Tax Act or rules made there under depending upon its “Residential Status” and “Type of Income” involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

The Research and Development Cess Act, 1986 (the “R&D Cess Act”)

The R&D Cess Act provides for the levy and collection of a cess on all payments made for the import of technology. It enables the Central Government to levy and collect a cess at such rate not exceeding five per cent. on all payments made towards the import of technology. The cess shall be payable to the Central Government by an industrial concern which imports technology on or before making any payments towards such import and shall be paid by the industrial concern to any specified agency. The R&D Act provides penalty for non-payment of cess which can extend up to ten times the amount in arrears.

General Corporate Laws

Companies Act, 2013

The Companies Act, 2013 deals with incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The provisions of this act shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e. One Person Company. The provisions relating to formation and allied procedures are mentioned in the act.

Foreign Exchange Management Act, 1999

The Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route ‘within

the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (FEMA Regulations) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

The Competition Act, 2002

The Competition Act, 2002 (the —Competition Act) prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates —combinations in India. The Competition Act also established the Competition Commission of India (the —CCI) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds.

There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

Consumer Protection Act, 1986 (“COPRA”)

The Consumer Protection Act, 1986 (COPRA) aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services, price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of these authorities attracts criminal penalties.

The Indian Contract Act, 1872 (“Contract Act”)

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

Taxes on Professions, Trades, Callings and Employments

Every person engaged in any profession, trade, callings and employment is liable to pay tax at the rate prescribed by the respective state government. It is considered necessary to levy tax on profession, trade callings and employment in order to augment state revenues. Every state is empowered by the Constitution of India to make laws relating to levy of taxes on professions, trades, callings and employments that shall serve as the governing provisions in that state.

COMPANY'S BACKGROUND

Our Company was incorporated as "Amster Labs Limited" on January 1, 2024, under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by the Registrar of Companies, Central Registration Centre pursuant to Part I of Chapter XXI of the Companies Act, 2013. Our company was initially established as a sole proprietorship under the name and style of "M/s Udai Gas & Electrical Appliances," with its principal place of business located at Khasra No. 45 & 46, Village Papoli, Ambota (Parwanoo), Tehsil Kasauli, Distt. Solan, Himachal Pradesh-173220. Furthermore, pursuant to a partnership deed dated September 17, 2014, executed by Mr. Rakesh Narang, Mr. Anil Anand, and Mr. Uttamjit Singh, it was converted onto a partnership firm to conduct business in the manufacturing of LPG cooktops, electrical chimneys, geysers, electrical irons, and related products.

On September 30, 2014, the partnership deed was reconstituted following the retirement of Mr. Rakesh Narang, resulting in a change to the profit and loss sharing ratio. Subsequently, on November 3, 2014, the partnership's name and business focus were changed to "M/s Amster Labs," to engage in the manufacturing and trading of pharmaceutical, cosmetic, and nutraceutical products. This change included the induction of Mr. Rajinder Kumar Raheja and Mr. Amit Gupta as partners and was registered with the Sub Registrar, Baddi, District Solan (H.P), under reference no. 111/2014.

In 2018, Amster Labs acquired M/s Navdeep Bioceuticals, a proprietorship, through a one-time settlement with Indian Overseas Bank for an auction price of Rs. 4.05 crore. This acquisition was intended to expand into the Pharma Formulation Division.

On November 19, 2020, the partnership deed was again reconstituted due to the death of Mr. Anil Anand, with his wife, Ms. Meena Anand, joining the partnership. This change was registered with the Sub Registrar, Baddi, District Solan (H.P), under reference no. 338/2020.

On October 1, 2023, the partnership deed was reconstituted with the induction of Mr. Bharminder Sabharwal Kaur, Mr. Satyan Anand, and Mr. Rishabh Raheja as new partners, resulting in a revised profit and loss sharing ratio. Further, on November 28, 2023, the partnership firms M/s Sukhmani Prints & Packs and M/s Uniroyal Biotech dissolved and Amster Labs purchased their assets and liabilities. As a result, Amster Labs has taken over the assets and liabilities that these firms agreed upon before such dissolution.

Further, the Partnership Firm was converted into Public Limited Company "Amster Labs Limited" on January 01, 2024, pursuant to Part I of Chapter XXI of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U21001CH2024PLC045445.

Our Promoter started their journey with the partnership business of Gas & Electrical Appliances and thereafter shifted into business of Manufacturing and Trading of Pharmaceutical, Cosmetic and Nutraceutical Products with name 'Amster Labs' in 2014. Thereby our firm got converted into our company, Amster Labs Limited, which is engaged in the business of formulating, processing, distributing pharmaceutical products and contract manufacturing of more than 400 companies. Our promoters are well supported by a team of professional at various levels.

Business Overview

Amster Labs Limited is a Public Limited Company initially formed as partnership firm on September 17, 2014. It was subsequently converted into a Public Limited Company on January 01, 2024. The Company is engaged in the business of formulating, processing, distributing pharmaceutical products and contract manufacturing of more than 400 companies.

The Company is having its registered office at SCO 166-167, Level 1, Sector 9C, Madhya Marg, Sector 9, Chandigarh-160009.

We are an ISO 9001:2015 certified Indian pharmaceuticals company engaged in pharmaceutical formulations contract manufacturing organization (“CMO”) and is in compliance with regulations of the Indian Pharmaceutical Association and International Standards

We operate two manufacturing facilities in Baddi, Himachal Pradesh

| Manufacturing Unit | Location | Tenure | Rent | Landlord |
|---------------------------------|--|--------------------------|----------------------|-----------------|
| UNIT -I (For Soft Gel Products) | Khasra no. 338/266, VIII-saraj majra, gujran, the. Baddi district-Solan H.P. | 01/03/2022 to 29/02/2026 | 25000/- Per Month | Mustak Mohammad |
| | K K 50/52, MIN KH No. 503/412/254,509/255, VIII SarajMajra, Gujran, The. Baddi, distt Solan H.P. | 01/10/2021 to 30/09/2027 | 38000/- Per Month | Smt. Santosh |
| | 01 bigha 04 biswas comprised in khewat khatoni no. 51/53, bearing khasra no. 504/412/254, 505/412/254, 510/255, 511/255, kitat 4, land measuring 00-16 biswas and khewat khatoni no. 52/54 khasra nos. 506/412/254 I, 512/255 kitat 2 land measuring 00-08 biswas situated in revenue village-saraj majra gujjaran, hadbast no. 208, tehsil-baddi. | 01/01/2024 to 31/12/2029 | 2,60,918/- Per Month | Sunita Devi |

We confirm that there is no conflict of interest between the lessor of the immovable properties, (crucial for operations of our Company) and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors and Group Company and its directors.

Unit II- For Pharma Formulation Products: The unit is located at Hilltop Industrial Estate, village Bhatauli Kalan, Tehsil Baddi. The unit is in conformity to World Health Organization (WHO).

Both our facilities have Good Manufacturing Practices (GMP) certification from the Health and Family Welfare Department, Himachal Pradesh.

Our facilities are designed, equipped and operated to deliver quality products within defined cost and delivery schedules.

For detailed information please refer chapter titled “Our Business” on [•] of the Draft Red Herring Prospectus.

REGISTERED OFFICE

Registered Office of the Company is presently situated at **SCO 166-167, Level 1, Sector 9C, Madhya Marg, Sector 9, Chandigarh-160009**. The Registered office of our Company has not been changed since incorporation.

MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company are:

1. To carry on business of formulators, processors, dealers, assemblers, advisors, distributors, refiners, agents, buyers, sellers, importers, exporters, wholesalers and/or retailers to trade all kinds of bulk drugs, pharmaceuticals products, medicines, drugs, medicines, healthcare, ayurvedic, cosmetics, lotions, formulations, pills, injections, tables, capsules, ointments, toiletries, and dietary supplement products, medicinal preparations, vaccines also to engage in business of healthcare's research and development and contract manufacturing of pharmaceutical products in India and/or abroad.
2. To carry on the business of vialling, bottling, repacking, processing of tablets, capsules, syrups, injections, ointments, capsules, syrups, tablets, ointments, eye and ear drops and also to carry on the business of druggists, buyers, sellers, agents, distributors and stockist of all kinds of pharmaceuticals product.

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION

Set out below are the amendments to the Memorandum of Association of our Company since incorporation of the company:

| Date of Shareholders' resolution | Particulars of Amendment |
|---|--|
| 01/05/2024 | Increase in authorised share capital from Rs. 7,50,00,000 divided into 75,00,000 equity shares of Rs. 10/- each to Rs. 25,00,00,000 divided into 2,50,00,000 equity shares of Rs. 10/- each. |

KEYEVENTS AND MILESTONES:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

| YEAR | EVENTS |
|-------------|--|
| 2014 | Constituted as Partnership firm as "M/s Amster Labs" |
| 2018 | Amster Labs acquired M/s Navdeep Bioceuticals a proprietorship, to expand into the Pharma Formulation Division. |
| 2018 | Commencement of our second unit Amster Labs Limited II, with its comprehensive range of <ul style="list-style-type: none"> • Tablets • Capsule • Syrups • Ointments & Creams |
| 2023 | Introduction of comprehensive range of dry and liquid injections. |
| 2024 | Introduction of a new specialty division focusing on EFFERVESCENT TABLETS. Amster Labs has taken over entire Assets and Liabilities of Sukhmani Prints & Packs and Uniroyal Biotech. Both partnership firms. |

| | |
|------|--|
| 2024 | Partnership firm converted into Company with the name of Amster Labs Limited and Company got certificate from Registrar of Companies, Central Registration Centre, Chandigarh. |
|------|--|

KEY AWARDS AND ACCREDITATIONS

Details of key awards received are set out below:

| Year | Name of the award |
|-------------|--|
| 2024 | Award for Participation in Pharma B2B Expo, sponsored by Federation of Pharma Entrepreneurs, FOPE, in February 2024 held in Indore M.P. The platform is an interface between various domains of pharmaceutical industry. |
| 2024 | Award for Participation in Pharma Expo, 2024 held in Bangalore. which provides opportunity to entrepreneurs to expand their business by creating a networking between various pharma industries. |

OUR HOLDING COMPANY

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

OUR SUBSIDIARY, JOINT VENTURE AND ASSOCIATES

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary, joint venture or Associates.

STRATEGIC PARTNERS

Our Company is not having any strategic partner as on the date of filing this Draft Red Herring Prospectus.

FINANCIAL PARTNERS

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Draft Red Herring Prospectus.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS:

There has been no time/ cost overrun in setting up projects by our Company except those incurred in the ordinary course of business.

DETAILS OF BUSINESS OF OUR COMPANY

For details on the description of Our Company's activity, business model, marketing strategy, strength, completion of business, please see "Our Business", "Management Discussion and Analysis of Financial Conditions" and "Basis for Issue Price" on page [•] of this Draft Red Herring Prospectus respectively.

DETAILS REGARDING MATERIAL ACQUISITIONS OR DIVESTMENTS OF BUSINESS/ UNDERTAKINGS, MERGERS, AMALGAMATION, ANY REVALUATION OF ASSETS, ETC. IN THE LAST 10 YEARS.

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets since incorporation.

RAISING OF CAPITAL IN FORM OF EQUITY OR DEBT

For details regarding our capital raising activities through equity or debt, please see the section entitled “Capital Structure” and “Restated Financial Information” on pages [•]and [•] respectively of this Draft Red Herring Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our current borrowings from lenders.

SHAREHOLDERS AGREEMENTS

Our Company has not entered into any shareholders agreement as on the date of filing this Draft Red Herring Prospectus.

OTHER AGREEMENTS

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any agreements other than those entered into in the ordinary course of business and there is no material agreements entered as on the date of this Draft Red Herring Prospectus.

We confirm that there are no other agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision.

JOINT VENTURE AGREEMENTS

Our Company has not entered into any joint venture agreement as on the date of this Draft Red Herring Prospectus.

COLLABORATION AGREEMENTS

Our Company has not entered into any collaboration agreement as on the date of this Draft Red Herring Prospectus.

OTHER CONFIRMATIONS

Neither our Promoters nor any of the Key Managerial Personnel, 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.

Our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business.

As on the date of DRHP, there are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than ones which have already disclosed in DRHP.

OUR MANAGEMENT

BOARD OF DIRECTORS

As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on our Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Draft Red Herring Prospectus, our Board consist of 8 (Eight) Directors, out of which 4 (Four) are Executive Directors and 4 (Four) are Non-Executive Directors (including 3 (Three) independent director and one (1) woman Director). Mr. Uttamjit Singh Sabharwal is the Managing Director of our Company.

| S. No. | Name | DIN | Category | Designation |
|--------|-------------------------------|----------|---------------|---|
| 1. | Mr. Uttamjit Singh Sabharwal | 08117764 | Executive | Managing Director |
| 2. | Mr. Rajinder Raheja | 08117763 | Executive | Whole Time Director |
| 3. | Mr. Satyan Anand | 00370069 | Executive | Whole Time Director |
| 4. | Mr. Amit Gupta | 08117712 | Executive | Whole Time Director and Chief Financial Officer |
| 5. | Ms. Bharminder Kaur Sabharwal | 10448677 | Non-Executive | Non-Executive Director |
| 6. | Mr. Govind Shanker Pandey | 06693476 | Non-Executive | Non-Executive Independent Director |
| 7. | Mr. Rahul Malhotra | 08450966 | Non-Executive | Non-Executive Independent Director |
| 8. | Mr. Shitij Sharma | 09718632 | Non-Executive | Non-Executive Independent Director |

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Draft Red Herring Prospectus:

| Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term | Age (Years) | Other Directorship |
|---|-------------|--|
| <p>Uttamjit Singh Sabharwal</p> <p>DIN: 08117764</p> <p>Date of Birth: 15-08-1965</p> <p>Designation: Managing Director</p> <p>Address: House No 2851, Sector 38-C, Chadigarh-160036</p> <p>Occupation: Business</p> <p>Experience: 38 Years</p> <p>Qualification: Master of Business Administration</p> <p>Term: A period of five (5) years with effect from 1-01-2024 to 31-12-2029</p> <p>Nationality: Indian</p> | 59 | <p>1. Evermark Developers and Promoters Private Limited</p> <p>2. Anand Pharmatech Private Limited</p> |
| <p>Rajinder Kumar Raheja</p> <p>DIN: 08117763</p> <p>Date of Birth: 15-05-1968</p> | 56 | <p>1. Anand Pharmatech Private Limited</p> |

| | | |
|---|----|-------------------------------------|
| <p>Designation: Whole Time Director Address: 668 Sector-9, Panchkula, Haryana-134109 Occupation: Business Experience: 20 years Qualification: Bachelor in Pharmacy Term: A period of five (5) years with effect from 1-01-2024 to 31-12-2029 Period of Directorship: Director since incorporation Nationality: Indian</p> | | |
| <p>Satyan Anand DIN: 00370069 Date of Birth: 10-09-1986 Designation: Whole Time Director Address: House No.295 Sector-12A Panchkula Haryana 134109 Occupation: Business Experience: 15 Years Qualification: Master of Science in Entrepreneurship Term: A period of five (5) years with effect from 01-01-2024 to 31-12-2029 Nationality: Indian</p> | 38 | 1. Anand Pharmatech Private Limited |
| <p>Amit Gupta DIN: 08117712 Date of Birth: 17-10-1973 Designation: Whole Time Director and Chief Financial Officers Address: 245, Sector-11, Panchkula, Sector-4, Haryana-134112 Occupation: Business Experience: 20 years Qualification: Post Graduate Diploma in Personnel Management & Industrial Relations Term: A period of five (5) years with effect from 01-01-2024 to 31-12-2029 Nationality: Indian</p> | 51 | 1. Anand Pharmatech Private Limited |
| <p>Bharminder Kaur Sabharwal DIN: 10448677 Date of Birth: 29-06-1967 Designation: Non-Executive Director</p> | 57 | NA |

| | | |
|---|----|---|
| <p>Address: House No 2851, Sector 38C, Chadigarh-160036</p> <p>Occupation: Business</p> <p>Experience: 30 Years</p> <p>Qualification: Masters of Business Administration in Human Resource Management</p> <p>Nationality: Indian</p> <p>Term: Not applicable</p> | | |
| <p>Govind Shanker Pandey</p> <p>DIN: 06693476</p> <p>Date of Birth: 13-07-1967</p> <p>Designation: Non-Executive Independent Director</p> <p>Address: Plot No 479, Industrial Area Phase 1, Panchkula Sector-15, Haryana-134113</p> <p>Occupation: Service</p> <p>Experience: 31 Years</p> <p>Qualification: Bachelor of Pharmacy</p> <p>Term: A period of five (5) years with effect from 01/06/2024 to 31-05-2029</p> <p>Nationality: Indian</p> | 57 | 1. Gamp Technologies Private Limited |
| <p>Rahul Malhotra</p> <p>DIN: 08450966</p> <p>Date of Birth: 01-04-1991</p> <p>Designation: Non-Executive Independent Director</p> <p>Address: 402 Housing Board CLY Ambala Cantt Haryana</p> <p>Occupation: Professional</p> <p>Experience: 8 Years</p> <p>Qualification: Company Secretary</p> <p>Term: A period of five (5) years with effect from 1-06-2024 to 31-05-2029</p> <p>Nationality: Indian</p> | 33 | 1. Mago Thermal Limited |
| <p>Shitij Sharma</p> <p>DIN: 09718632</p> <p>Date of Birth: 20-01-1989</p> <p>Designation: Non-Executive Independent Director</p> <p>Address: House No 3017, Sector 38 D, Chandigarh-160036</p> | 35 | 1. Pind Hospitality Limited 2. Canam Consultants Limited |

| | | |
|--|--|--|
| Occupation: Professional Experience: 7 Years Qualification: Company Secretary Term: A period of five (5) years with effect from 1-06-2024 to 31-05-2029 Nationality: Indian | | |
|--|--|--|

BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

Mr. Uttamjit Singh Sabharwal (Managing Director)

Mr. Uttamjit Singh Sabharwal is the Managing Director of the Company. He has been associated with our Company as a founder, Promoter and a Managing Director since incorporation. He has completed his Master of Business Administration in Financial Management. He has successfully steered the company's journey from inception to a dynamic multifarious entity with multiple manufacturing as well as R & D sites with varied products and services offered. He has rich experience of 38 years in pharmaceutical industries in different expertise including 11 years' experience in multinational companies such as Ranbaxy Laboratories, Austin Labs, Uniroyal Pharmaceuticals. He has played a pivotal role in the overall growth of the company. He has been the pillar of strength & inspiration for the company.

Mr. Rajinder Raheja (Whole time Director)

Mr. Rajinder Raheja is the Whole time Director of the Company. He has been associated with our Company as a founder, Promoter and a Whole Time Director since incorporation. He has completed his graduation in Pharmacy. Prior to joining this company, He has served as a drug inspector in Haryana Govt. He is having rich experience of 20 years in pharmaceutical industry and profound knowledge of various elements of business, Mr. Raheja focuses on routine operations in the unit and advocates in depth analysis of the liaison work of the company.

Mr. Satyan Anand (Whole time Director)

Mr. Satyan Anand is the Whole time Director of the Company. He has been associated with our Company as a founder, Promoter and Whole Time Director since incorporation. He has completed his Master of Science in Entrepreneurship from UK. He plays an integral role in enhancing the manufacturing and management process at Amster Labs. He is having rich experience of 15 years in Pharmaceutical Industry and bringing a youthful insight into the business. Mr. Satyan is working closely towards enhancing the manufacturing and the management process at our business units.

Mr. Amit Gupta (Whole time Director cum Chief Financial Officer)

Mr. Amit Gupta is the Whole time Director cum Chief Financial Officer of the Company. He has been associated with our Company as a founder, Promoter and Whole Time Director since incorporation. He has completed his Post Graduate Diploma in Masters in Personnel Management & Industrial Relations. Mr. Amit has contributed in the extension of the company product line by launching new products. He has deep understanding and experience in marketing of the pharmaceutical business spanning over two decades such as life pharma, Unisan Kyo, Uniroyal pharmaceuticals etc.

Ms. Bharminder Kaur Sabharwal (Director)

Ms. Bharminder Kaur Sabharwal is the Director of the Company. She has been associated with our Company as a founder, Promoter and a director since incorporation. She has completed her Master in Human Resource Management. She is having rich experience of 30 years in Human Resource

Management. She plays a crucial role in shaping strategic direction and ensuring effective management of our operations and brings a wealth of knowledge and expertise to the company. She has been influential in shaping and executing company's growth strategy. Her contribution, support and supervision in the current operations of the company are commendable and aid in the rise & success of the company.

Mr. Govind Shanker Pandey (Independent Director)

Mr. Govind Shanker Pandey is the Independent Director of the Company. He has completed his Master of Pharmacy (M. Pharm) from IIT BHU and PhD in Pharmaceutical Science from Venkateshwara University. He is a Senior Associate of Jeff Yuen & Associates Inc. USA, who has over three decades of experience in the pharmaceutical industry. He is a professional experienced in sterile operations, solid oral dosage forms and API. He supports in setting up many finished dosage form and API manufacturing sites. He possesses a deep understanding of business strategy relating to Operations, Quality Assurance, Quality control, CMC submissions, Facility design, Tech transfer & Regulatory guidelines. In addition, he is black belt certified person on "Six Sigma- Process optimization and Problem solving". He has provided expert scientific support for the timely resolution of issues raised by USFDA & other Regulatory agencies.

Mr. Rahul Malhotra (Independent Director)

Mr. Rahul Malhotra is the Independent Director of the Company. He is an Associate Member of the Institute of Company Secretaries of India and is also Commerce Graduate. He possesses over 8 years of experience in the fields of handling compliances under various Corporate Laws, FEMA; RBI Approvals of Foreign Funding, NBFC Registration, Consultancy in FEMA & FDI related issues, Private Placement of Securities, Right Issue, Bonus Issue, Buy Back of Shares, Intellectual Property Rights; Trademark and Copyright, listing agreement; Mergers of Unlisted Companies, Corporate Governance Report etc.

Mr. Shitij Sharma (Independent Director)

Mr. Shitij Sharma is the Independent Director of the Company. He is an Associate Member of the Institute of Company Secretaries of India He possesses over 7 years of experience in Corporate Legal, Secretarial, Corporate Restructuring, Due Diligence, SME IPO, Corporate Governance, Labour Law, Compliance Audit, Reserve Bank of India and Intellectual Property Laws. He has rich experience in representing the corporate entities before High Court, NCLT, NCLAT and other judicial authorities related to the various matter. He has also handled corporate matters including Right Issue, Preferential issue, ESOP and other advisory matters.

Note:

1)None of the above-mentioned Directors are on the RBI List of willful defaulters as on the date of this Draft Red Herring Prospectus.

2)None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.

3) None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

FAMILY RELATIONSHIP BETWEEN DIRECTORS

Except as stated below, none of the Directors of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

| S. No. | Name of the Director | Relationship with other director |
|--------|---------------------------|----------------------------------|
| 1. | Bharminder Kaur Sabharwal | Wife of Uttamjit Singh Sabharwal |

Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension.

None of our Directors is / was a director in any listed company during the last five years before the date of filing of this Draft Red Herring Prospectus, whose shares have been / were suspended from being traded on any stock exchange.

Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

Details of arrangement or understanding with major shareholders, consumers, suppliers or others, pursuant to which of the Directors were selected as a director or member of senior management.

There are no arrangements or understandings with major shareholders, consumers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of the senior management.

We confirm that there are no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of our Company) and our Company, Key Managerial Personnel and Directors.

Service contract with Directors

None of our directors have entered into any service contracts with our company except for acting in their individual capacity as director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and Key Managerial Personnel, are entitled to any benefits upon termination of or retirement from employment.

TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS**1. Executive Directors**

| | |
|--|---|
| Name | Mr. Uttamjit Singh Sabharwal |
| Designation | Managing Director |
| Period | 5 years |
| Date of Agreement | January 01, 2024 |
| Date of approval of shareholder | NA appointed at the time of incorporation |
| Remuneration | Rs. 67,20,000/- per annum |
| Perquisite | Bonus, Leave Travel Concession, Leave Encashment etc. |

| | |
|----------------------------|----------------------------|
| Name | Mr. Rajinder Raheja |
| Designation | Whole-time Director |
| Period | 5 years |
| Date of appointment | January 01, 2024 |

| | |
|---------------------|---|
| Remuneration | Rs. 28,22,400/- per annum |
| Perquisite | Bonus, Leave Travel Concession, Leave Encashment etc. |

| | |
|----------------------------|---|
| Name | Mr. Satyan Anand |
| Designation | Whole time Director |
| Period | 5 Years |
| Date of Appointment | January 01, 2024 |
| Remuneration | Rs. 67,20,000/- per annum |
| Perquisite | Bonus, Leave Travel Concession, Leave Encashment etc. |

| | |
|----------------------------|---|
| Name | Mr. Amit Gupta |
| Designation | Wholetime Director and Chief Financial Officer |
| Period | 5 Years |
| Date of Appointment | January 01, 2024 |
| Remuneration | Rs. 28,22,400/- per annum |
| Perquisite | Bonus, Leave Travel Concession, Leave Encashment etc. |

2. Non-Executive Directors

Non-Executive Non-Independent Directors and Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respectively.

Remuneration paid or payable to our Directors from our Subsidiaries

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

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of this Draft Red Herring Prospectus:

| S. No. | Name of the Directors | No. of Equity Shares held | % of pre-issue paid-up Equity Share capital in our Company |
|--------|-------------------------------|---------------------------|--|
| 1. | Mr. Uttamjit Singh Sabharwal | 33,08,040 | 22.29% |
| 2. | Mr. Rajinder Raheja | 10,80,000 | 7.28% |
| 3. | Mr. Satyan Anand | 33,08,040 | 22.29% |
| 4. | Mr. Amit Gupta | 15,51,960 | 10.46% |
| 5 | Ms. Bharminder Kaur Sabharwal | 5,40,000 | 3.64% |

INTEREST OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association.

Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to anybody corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and promoters, pursuant to this Issue. All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Directors himself, or other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

Interest in promotion of Our Company

Except Promoters, none of our Directors have any interest in the promotion of our Company.

Interest in the property of Our Company

Our directors have no interest in any property acquired by our Company neither in the preceding two years from the date of this Draft Red Herring Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Draft Red Herring Prospectus. Our directors also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

Interest in the business of Our Company

Save and except as stated otherwise in “Related Party Transaction” in the chapter titled “*Financial Information*” beginning on page [•] of this Draft Red Herring Prospectus, our Directors do not have any other interests in our Company as on the date of this Draft Red Herring Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Details of service contracts

None of our directors have entered into any service contracts with our company except for acting in their individual capacity as director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and Key Managerial Personnel, are entitled to any benefits upon termination of or retirement from employment.

Bonus or profit-sharing plan for the directors

There is no bonus or profit-sharing plan for the Directors of our Company.

Contingent and deferred compensation payable to directors

No Director has received or is entitled to any contingent or deferred compensation.

Other indirect interest

Except as stated in chapter titled “*Financial Information*” beginning on page [•] of this Draft Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

Borrowing power of the Board

In terms of the special resolution passed at an Extra- Ordinary General Meeting of our Company held on 01/01/2024 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of members of the Company has been accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company`s bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and free reserve and securities premium account, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 500 Crore (Rupees Five Hundred Crore Only) at any time.

CHANGES IN THE BOARD FOR THE LAST THREE YEARS

There had been no change in the Directorship during the last three (3) years:

MANAGEMENT ORGANIZATIONAL STRUCTURE

For Management Organizational Structure please refer chapter titled “Our Business” on page [•] this Draft Red Herring Prospectus.

CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. As on date of this Draft Red Herring Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 23, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

AUDIT COMMITTEE

The Audit Committee was constituted vide resolution dated July 05, 2024 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Draft Red Herring Prospectus, the Audit Committee comprises of following directors:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-----------------------------|-------------------------------------|-------------------------------|
| Mr. Shitij Sharma | Chairman | Independent Director |
| Mr. Rahul Malhotra | Member | Independent Director |

| | | |
|-------------------------------|--------|------------------------|
| Ms. Bharminder Kaur Sabharwal | Member | Non-Executive Director |
|-------------------------------|--------|------------------------|

Our Company Secretary and Compliance officer act as the secretary of the Committee.

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

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower

including existing loans / advances / investments existing as on the date of coming into force of this provision.

22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly head of the finance function) to be present at the meetings of the committee, but on the occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit committee.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted vide resolution dated July 05, 2024. As on the date of this Draft Red Herring Prospectus the Nomination and Remuneration Committee comprises of following directors:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-------------------------------|------------------------------|------------------------|
| Mr. Rahul Malhotra | Chairman | Independent Director |
| Mr. Shitij Sharma | Member | Independent Director |
| Ms. Bharminder Kaur Sabharwal | Member | Non-Executive Director |

Our Company Secretary and Compliance officer act as the secretary of the Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Formulate the criteria for determining qualification, positive attributes and independence of a director
2. Recommend to the board a policy relating to the remuneration of the directors, key managerial personal and senior management personal or other employees
3. Formulation of criteria for evaluation of independent director and board
4. Recommendation to board, appointment and removal of directors, KMP, and senior management personal
5. To carry out any other function as is mandated by the board from time to time and /or enforced by any statutory notification, amendment or modification as may be applicable.
6. Such other matters as May from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholder's Relationship Committee was constituted vide resolution dated July 05, 2024. As on the date of this Draft Red Herring Prospectus the Stakeholder's Relationship Committee comprises of following directors:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|------------------------------|-------------------------------------|-------------------------------|
| Mr. Rahul Malhotra | Chairman | Independent Director |
| Mr. Uttamjit Singh Sabharwal | Member | Executive Director |
| Mr. Amit Gupta | Member | Executive Director |

Our Company Secretary and Compliance officer act as the secretary of the Committee.

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee was constituted vide resolution dated July 09, 2024. As on the date of this Draft Red Herring Prospectus the Corporate Social Responsibility Committee comprises of following directors:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|------------------------------|-------------------------------------|-------------------------------|
| Mr. Govind Shanker Pandey | Chairman | Independent Director |
| Mr. Uttamjit Singh Sabharwal | Member | Executive Director |
| Mr. Amit Gupta | Member | Executive Director |

Our Company Secretary act as the secretary of the Committee.

Terms of reference

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company in areas or subject as specified in Schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
3. To monitor the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time

INITIAL PUBLIC OFFER COMMITTEE

The Initial Public Offering (IPO) committee was constituted vide resolution dated July 05, 2024. As on the date of this Draft Red Herring Prospectus the IPO Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|------------------------------|------------------------------|------------------------|
| Mr. Uttamjit Singh Sabharwal | Chairman | Executive Director |
| Mr. Amit Gupta | Member | Executive Director |
| Mr. Rajinder Raheja | Member | Executive Director |

Our Company Secretary and Compliance officer act as the secretary of the Committee.

The terms of reference of the IPO Committee include the following:

1. Approving amendments to the memorandum of association and the articles of association of the Company;
2. Approving all actions required to dematerialize the Equity Shares, including seeking the admission of the Equity Shares into the Central Depository Services (India) Limited (the “CDSL”) and the National Securities Depository Limited (the “NSDL”);
3. Finalizing and arranging for the submission of this DRHP, the RHP, the Prospectus and any amendments, supplements, notices or corrigenda thereto, to appropriate government and regulatory authorities, institutions or bodies;
4. Issuing advertisements as it may deem fit and proper in accordance with Applicable Laws;
5. Approving suitable policies, including on insider trading, whistle blower/vigil mechanism, risk management and other corporate governance requirement that may be considered necessary by the Board or the IPO Committee or as may be required under Applicable Laws in connection with the Issue;
6. Deciding on the size and all other terms and conditions of the Issue and/or the number of Equity Shares to be offered in the Issue.
7. Opening bank accounts, share/securities accounts, escrow or custodian accounts, in India or abroad, in Rupees or in any other currency, in accordance with Applicable Laws;
8. Seeking the listing of the Equity Shares on the Stock Exchanges, submitting listing application to the Stock Exchange and taking all such actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into the listing agreement with the Stock Exchanges;
9. Submitting undertaking/certificates or providing clarifications to the Stock Exchanges;
10. Determining the price band and minimum lot size for the purpose of bidding, any revision to the price band and the final Issue price after bid closure;
11. Determining the Bid/Issue opening and closing dates;
12. Executing and delivering any and all documents, papers or instruments and doing or causing to be done any and all acts, deeds, matters or things as the IPO Committee may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Issue; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.

COMPLIANCE WITH SME LISTING REGULATIONS

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Uttamjit Singh Sabharwal

Designation: Managing Director

Date of Appointment: 01-01-2024

| |
|--|
| <p>Term of Office: 5 years</p> <p>Expiration of Term: January 01, 2024 to December 31, 2029</p> <p>Qualification: MBA in Financial Management</p> <p>Previous Employment: Ranbaxy Laboratories Limited</p> <p>Overall Experience: He has rich experience of 38 years in pharmaceutical industries in different expertise including 11 years' experience in multinational company.</p> |
| <p>Rajinder Raheja</p> <p>Designation: Whole Time Director</p> <p>Date of Appointment: 01-01-2024</p> <p>Term of Office: 5 years</p> <p>Expiration of Term: January 01, 2024 to December 31, 2029</p> <p>Qualification: Bachelor in Pharmacy</p> <p>Previous Employment: MDC Pharmaceuticals Limited</p> <p>Overall Experience: He has rich experience of 20 years in pharmaceutical industry and profound knowledge of various elements of business</p> |
| <p>Satyan Anand</p> <p>Designation: Whole Time Director</p> <p>Date of Appointment: 01-01-2024</p> <p>Term of Office: 5 years</p> <p>Expiration of Term: January 01, 2024 to December 31, 2029</p> <p>Qualification: Master of Science in Entrepreneurship</p> <p>Previous Employment: NA</p> <p>Overall Experience: He has rich experience of 15 years in Pharmaceutical Industry and bringing a youthful insight into the business.</p> |
| <p>Amit Gupta</p> <p>Designation: Whole Time Director and Chief Financial Officer</p> <p>Date of Appointment: 01-01-2024</p> <p>Term of Office: 5 years</p> <p>Expiration of Term: January 01, 2024 to December 31, 2029</p> <p>Qualification: Post Graduate Diploma in Masters in Personnel Management & Industrial Relations</p> <p>Previous Employment: Punwire Mobile Communication Limited</p> <p>Overall Experience: He has experience of 20 years in marketing and products.</p> |
| <p>Shweta</p> <p>Designation: Company Secretary & Compliance Officer</p> <p>Date of Appointment: 01-02-2024</p> |

Qualification: Company Secretary

Previous Employment: Worked as Practicing Company Secretary

Overall Experience: She is a Fellow Member of the Institute of Company Secretaries of India and obtained Bachelor Degree in Commerce (B. Com) and MBA. She possesses over 7 years of experience in Corporate Secretarial, Statutory Compliance and other allied matters.

Remuneration paid in 2023-24:

For details w.r.t. Remuneration paid in F.Y. 2023-24 to Directors and KMPs, please refer to “*Statement of Related Party Transactions*”, as Restated appearing on page [•] of the section titled “*Financial Information*” beginning on page of the Draft Red Herring Prospectus

Notes:

- *All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.*
- *There is no agreement or understanding with major shareholders, consumers, suppliers or others pursuant to which any of the above-mentioned personnel was selected as a director or member of senior management.*
- *None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. However, our Company has appointed certain Key Managerial Personnel for which our company has not executed any formal service contracts; although they abide by their terms of appointments.*

FAMILY RELATIONSHIP BETWEEN KMP

None of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013.

BONUS AND/ OR PROFIT-SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except Mr. Uttamjit Singh Sabharwal, Mr. Rajinder Raheja, Mr. Satyan Anand and Mr. Amit Gupta who are holding, 33,08,040, 10,80,000, 33,08,040 and 15,51,960 equity shares respectively of the Company, none of our Key Managerial Personnel is holding any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled from our Company as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.

CHANGES IN OUR COMPANY’S KEY MANAGERIAL PERSONNEL DURING THE LAST THREE YEARS

There have been no changes to the key managerial personnel of our Company

SCHEME OF EMPLOYEE STOCK OPTIONS OR EMPLOYEE STOCK PURCHASE

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

LOANS TO KEY MANAGERIAL PERSONNEL

Except as provided in restated financial statement in the chapter “*Financial Information*” beginning on page [•] of the Draft Red Herring Prospectus, there are no loans outstanding against the key managerial personnel as on the date of this Draft Red Herring Prospectus.

PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled “*Financial Information*” and the chapter titled “*Our Business*” beginning on pages [•] and [•] of this Draft Red Herring Prospectus, we have not paid/given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Draft Red Herring Prospectus.

RETIREMENT BENEFITS

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

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OUR PROMOTERS

The Promoters of our Company is:

| S. No. | Name | No. of Shares | Shareholding % |
|--------|-------------------------------|---------------|----------------|
| 1. | Ms. Bharminder Kaur Sabharwal | 5,40,000 | 3.64 |
| 2. | Mr. Rajinder Raheja | 10,80,000 | 7.28 |
| 3. | Mr. Satyan Anand | 33,08,040 | 22.29 |
| 4. | Mr. Amit Gupta | 15,51,960 | 10.46 |
| 5. | Mr. Uttamjit Singh Sabharwal | 33,08,040 | 22.29 |
| 6. | Mr. Rishabh Raheja | 4,71,960 | 3.18 |

For details of the build-up of our promoters "shareholding in our Company, see section titled "Capital Structure" beginning on page [•] of this Draft Red Herring Prospectus.

Brief profile of our Individual Promoters is as under:

| | |
|---|--|
|  | <p>Mr. Uttamjit Singh Sabharwal, aged 58 years is the Managing Director of our company. He resides at House No 2851, Sector 38C, Chadigarh-160036. The Permanent Account Number of Uttamjit Singh Sabharwal is ACJPS5926J.</p> <p>For complete profile of Uttamjit Singh Sabharwal, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see "Our Management" on page [•].</p> |
|  | <p>Mr. Rajinder Raheja, aged 56 years is the Whole Time Director of our company. He resides at 668 Sector-9, Panchkula, Haryana-134109. The Permanent Account Number of Rajinder Raheja is ADNPR7201G.</p> <p>For complete profile of Rajinder Raheja, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see "Our Management" on page [•].</p> |
|  | <p>Mr. Satyan Anand, aged 37 years is the Whole Time Director of our company. He resides at House No.295 Sector-12A Panchkula Haryana - 134112. The Permanent Account Number of Satyan Anand is AGXPA5178J.</p> <p>For complete profile of Satyan Anand, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see "Our Management" on page [•].</p> |

| | |
|---|--|
|  | <p>Mr. Amit Gupta, aged 50 years is the Whole Time Director of our company. He resides at 245, Sector-11, Panchkula, Sector-4, Haryana-134112. The Permanent Account Number of Amit Gupta is ABNPG6176B.</p> <p>For complete profile of Amit Gupta, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “<i>Our Management</i>” on page [●].</p> |
|  | <p>Ms. Bharminder Kaur Sabharwal, aged 57 years is the Chairman and Director of our company. She resides at House No 2851, Sector 38C, Chadigarh-160036. The Permanent Account Number of Bharminder Kaur Sabharwal is ABBPK3990P.</p> <p>For complete profile of Bharminder Kaur Sabharwal, along with details of her date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “<i>Our Management</i>” on page [●].</p> |
|  | <p>Mr. Rishabh Raheja, aged 27 years is the Promoter of our company. He resides at 668 Sector-9, Panchkula, Haryana-134109. The Permanent Account Number of Rishabh Raheja is CDKPR7268G.</p> <p>He holds a Bachelor of Pharmaceutical Sciences from India (2019) and has furthered his expertise with a certification in Advanced Project Management from Canada. Currently, he is a partner at Ekom Print and Pack in Chandigarh, India, where he leverages his skills in project management and pharmaceutical sciences to drive business success and innovation in the packaging industry.</p> |

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Our Promoters are the part of our board of directors as Managing Director and Director and none of our Promoter(s) are related to any of our Company’s Directors within the meaning of Section 2(77) of the Companies Act, 2013.

OTHER UNDERTAKINGS AND CONFIRMATIONS

- Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Aadhar and Passport Number of the Promoters will be submitted to the Emerge Platform of NSE, where the securities of our Company are proposed to be listed at the time of submission of Draft Red Herring Prospectus.

- Our Promoters have confirmed that they have not been identified as wilful defaulters.
- No violations of securities laws have been committed by our Promoters in the past are currently pending against them. None of our Promoters are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

INTEREST OF PROMOTERS

Interest in promotion of Our Company

Our Promoters are interested in the promotion of our Company in their capacity as a shareholder of our Company and having significant control over the management and influencing policy decisions of our Company.

Interest in the property of Our Company

Our Promoters do not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of this Draft Red Herring Prospectus.

Interest as member of Our Company

Our Promoters held 1,02,60,000 Equity Shares aggregating to 69.15 % of pre-issue Equity Share Capital in our Company and are therefore interested to the extent of their respective shareholding and the dividend declared, if any, by our Company as given in the chapter titled “*Our Management*” beginning on page [•] of this Draft Red Herring Prospectus, our Promoters hold no other interest in our Company.

Interest as Director of our Company

Except as stated in the “*Statement of Related Party Transactions*” beginning on page [•] of the Draft Red Herring Prospectus, our Promoters / Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of our AOA.

Other Ventures of our Promoters

Save and except as disclosed in the chapters titled “*Our Group Entities*” beginning on page [•] of the Draft Red Herring Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

Change in the control of Our Company

At the time of incorporation of Company there were 7 Promoters (Mr. Uttamjit Singh Sabharwal, Mr. Rajinder Raheja, Mr. Satyan Anand, Mr. Amit Gupta, Ms. Bharminder Kaur Sabharwal, Mr. Rishabh Raheja, Ms. Meena Anand) of Company. As of now, Company is under the control of same Promoters who were at the time of incorporation, except Ms. Meena Anand who has been re-classified as part of the Promoter Group.

Litigation involving our Promoters

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “*Outstanding Litigation and Material Developments*” beginning on page [•] of this Draft Red Herring Prospectus.

PAYMENT OF BENEFITS TO OUR PROMOTERS AND PROMOTER GROUP DURING THE LAST TWO YEARS

Save and except as disclosed under “*Statement of Related Party Transactions*”, as Restated appearing on page [•] of the section titled “*Financial Information*” beginning on page [•] of the Draft Red Herring Prospectus, there has been no Payment or benefit to promoters during the two (2) years preceding the date

of filing of this Draft Red Herring Prospectus, nor is there any intention to pay or give any benefit to our Promoters as on the date of this Draft Red Herring Prospectus.

OTHER CONFIRMATIONS

As on the date of this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authority from accessing capital markets for any reasons. Further, our Promoters were not and are not promoters or persons in control of any other company that is or has been debarred from accessing the capital markets under any order or direction made by SEBI or any other authority. There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority against our Promoters during the five (5) years preceding the date of this Draft Red Herring Prospectus, except as disclosed under chapter titled "*Outstanding Litigation and Material Developments*" beginning on page [•] of this Draft Red Herring Prospectus.

Our Promoters and members of our Promoter Group have neither been declared as wilful defaulters nor as a fugitive economic offender as defined under the SEBI (ICDR) Regulations, and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

GUARANTEES

Except as stated in the section titled "*Financial Information*" beginning on page [•] of this Draft Red Herring Prospectus, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Red Herring Prospectus.

RELATED PARTY TRANSACTIONS

For details of related party transactions entered into by our Company, please refer to "*Statement of Related Party Transactions*", as Restated appearing on page [•] of the section titled "*Financial Information*" beginning on page [•] of the Draft Red Herring Prospectus.

INFORMATION OF OUR GROUP COMPANIES

For details related to our group companies please refer "Our Group Entities" on page [•] of this Draft Red Herring Prospectus.

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OUR PROMOTER GROUP

Our Promoters and Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations is as under:

A. Natural Persons who form part of our Promoter Group:

The following natural persons being the immediate relatives of our Promoters in terms of the SEBI (ICDR) Regulations 2018 form part of our Promoter Group:

| | |
|--------------------------------------|--|
| Mr. Uttamjit Singh Sabharwal | Father: Lt. Manmohan Singh Mother: Lt. Jagdish Kaur Spouse: Ms. Bharminder Kaur Sabharwal Brother: NA Sister: NA Son: NA Daughter: Ms. Gurpreet Sabharwal, Ms. Simrat Sabharwal Spouse's Father: Lt. Sujan Singh Spouse's Mother: Ms. Darshan Kaur Spouse's Brother: Mr. Gurinder Pal Singh Spouse's Sister: NA |
| Mr. Rajinder Raheja | Father: Lt. Amrit Lal Raheja Mother: Ms. Raj kumari Raheja Spouse: Ms. Vandana Raheja Brother: Mr. Harish Kumar Raheja Sister: Ms. Kamla Khanna, Ms. Saroj Bala Son: Mr. Rishabh Raheja Daughter: Ms. Rashika Raheja Spouse's Father: Mr. Prem Kumar Grover Spouse's Mother: Lt. Pushpa Grover Spouse's Brother: NA Spouse's Sister: Ms. Anuja Mitra |
| Mr. Satyan Anand | Father: Lt. Anil Anand Mother: Ms. Meena Anand Spouse: Ms. Litya Harjani Brother: NA Sister: Ms. Rashmi Sahni Son: NA Daughter: NA Spouse's Father: Lt. Suresh Harjani Spouse's Mother: Ms. Koshu Harjani Spouse's Brother: NA Spouse's Sister: Ms. Archana Harjani |
| Mr. Amit Gupta | Father: Suresh Chand Gupta Mother: Ms. Swarn Gupta Spouse: Ms. Alpana Gupta Brother: NA Sister: Ms. Rupan Bansal Son: NA Daughter: Ms. Muskan Gupta Spouse's Father: Lt. KG Gupta Spouse's Mother: Ms. Asha Gupta Spouse's Brother: NA Spouse's Sister: NA |
| Ms. Bharminder Kaur Sabharwal | Father: Lt. Sujan Singh Mother: Ms. Darshan Kaur Spouse: Mr. Uttamjit Singh Sabharwal |

| | |
|---------------------------|---|
| | Brother: Mr. Gurinder Pal Singh Sister: NA Son: NA Daughter: Ms. Gurpreet Sabharwal, Ms. Simrat Sabharwal Spouse's Father: Lt. Manmohan Singh Spouse's Mother: Lt. Jagdish Kaur Spouse's Brother: NA Spouse's Sister: NA |
| Mr. Rishabh Raheja | Father: Mr. Rajinder Raheja Mother: Ms. Vandana Raheja Spouse: NA Brother: NA Sister: Ms. Rashika Raheja Son: NA Daughter: NA Spouse's Father: NA Spouse's Mother: NA Spouse's Brother: NA Spouse's Sister: NA |

B. Companies, partnership and proprietorship firms forming part of our Promoter Group are as follows:

| Particulars | Entity |
|---|---|
| Any body corporate in which 20% or more of the share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoters or any one or more of his immediate relative is a member. | 1. Anand Pharmatech Private Limited* |
| Any company in which a company (mentioned above) holds 20% of the total holding | - |
| Any HUF or firm in which the aggregate share of the promoters and his relatives is equal to or more than 20% of the total holding | HUF 1. Rajinder Kumar Raheja (HUF) 2. Anil Anand (HUF) 3. Uttamjit Singh (HUF) Firms* 1. Ekom Print and Pack 2. Sukhmani Enterprises 3. Trinity Biotech 4. Unique Motors 5. Lord Hospitality 6. Unique Auto 7. Ropar Financial Services 8. Easy Finance |

*These persons do not have any shareholding in Equity Share capital of Amster labs Limited or vice a versa.

DECLARATIONS

- None of the entities in the Promoter Group Companies is restrained by any SEBI Order or have ever become defunct.
- None of the entities in the Promoter Group Companies is listed at any Stock Exchange nor have such entities made any public issue or right issue in the preceding three years.

- None of the entities in the Promoter Group Companies has become a sick company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up or liquidation.

LITIGATIONS

For details on litigations and disputes pending against our Promoter Group and Group Companies please refer to the section titled “Outstanding Litigations and Material Developments” on page [•] of the Draft Red Herring Prospectus.

DEFUNCT GROUP COMPANIES

There is no defunct Group Companies of our Company as on the date of this Draft Red Herring Prospectus.

UNDERTAKING / CONFIRMATIONS

Our Promoters and Group Companies confirm that they have not been declared as a wilful defaulter by the RBI or any other governmental authority and there have been no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings pertaining to such penalties are pending against them.

None of the Promoters or Promoter Group Companies or persons in control of the Promoters has been:

- i) Prohibited from accessing the capital market under any order or direction passed by SEBI or any other authority; or
- ii) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad. None of the Promoters is or has ever been a promoter, director or person in control of any other company, which is debarred from accessing the capital markets under any order or direction passed by the SEBI.

DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEARS

Our Promoter has not been disassociated himself from the any entities/firms during preceding three years.

OTHER DETAILS OF GROUP COMPANIES/ENTITIES

1. There are no defaults in meeting any statutory/bank/ institutional dues;
2. No proceedings have been initiated for economic offences against our Group Companies/Entities.

NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

(a) In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company or any business interest or other interests in our Company, except to the extent identified in chapter titled “Financial Information” and “Related Party Transaction” on page [•] and [•] of this Draft Red Herring Prospectus.

(b) In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Draft Red Herring Prospectus with Stock Exchange

Our Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing this Draft Red Herring Prospectus with Stock Exchange.

(c) In transactions for acquisition of land, construction of building and supply of machinery

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

OUR GROUP COMPANIES / ENTITIES

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) the companies (other than our Promoter(s) and Subsidiaries) with which there are related party transactions during the period for which financial information is disclosed in the Restated Financial Statements, as covered under the applicable account standards (i.e., Ind AS 24), and (ii) such other companies as considered material by our Board pursuant to the Materiality Policy.

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the preceding three financial years, extracted from their respective audited financial statements (as applicable) are available at the website indicated below.

Our Company is providing links to such website solely to comply with the requirements specified under the SEBI ICDR Regulations. None of our Company, the BRLMs or any of our Company's or the BRLMs' respective directors, employees, affiliates, associates, advisors, agents or representatives have verified the information available on the websites indicated below.

COMMON PURSUITS

As on the date of this Prospectus, none of our Group Entities have objects similar to that of our Company's business except M/s Anand Pharmatech Private Limited and M/s Trinity Biotech Partnership Firm which has any common pursuits and are engaged in the business similar to that carried out by our Company.

Further, currently we do not have any non-compete agreement/arrangement with any of our Group Entities. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

For further information on common pursuits and risks associated, please refer risk factor on 'conflicts of interest' in chapter titled "*Risk Factors*" beginning on page [•] of this Draft Red Herring Prospectus.

RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

Other than the transactions disclosed in the section "*Related Party Transactions*" on page [•], there are no other business transactions between our Company and Group Companies which are significant to the financial performance of our Company.

BUSINESS INTERESTS OR OTHER INTERESTS

Except as disclosed in "*Related Party Transactions*" on page [•], our Group Companies do not have any business interest in our Company.

HOLDING COMPANY OF OUR COMPANY

Our Company does not have any holding company as on the date of filing of this Draft Red Herring Prospectus.

GROUP COMPANIES OF OUR COMPANY

Except as below mentioned, the Company does not have any subsidiary as on the date of this Draft Red Herring Prospectus our company.

| S. No. | Company Name | Relationship (Our promoter /directors having directorship in the entity) | (%) of Shareholding of Amster Labs Limited (if any) |
|--------|----------------------------------|--|---|
| 1 | Anand Pharmatech Private Limited | Directors of Amster Labs Limited holds 100% Shareholding. | Nil |

Below mentioned are details of group companies:

A) Anand Pharmatech Private Limited

| | |
|------------------------------|---|
| Date of Incorporation | 08.02.1996 |
| CIN | U24231CH1996PTC017706 |
| Registered Office | House No. 2851, Sector-38 C, Chandigarh, India 160036 |
| Nature of Activities | Manufacture of pharmaceuticals and medicinal chemicals products |

(Rs. in Lakhs)

| Particulars | FY 2022-23 | FY 2021-22 | FY 2020-21 |
|---------------------------|------------|------------|------------|
| Equity Share Capital | 1.06 | 1.06 | 1.06 |
| Reserves | (2.56) | (2.00) | (1.31) |
| Revenue from Operations | - | - | 112.23 |
| Profits After Tax | (0.56) | (0.64) | (0.21) |
| Earning Per Share | (5.33) | (6.01) | (1.94) |
| Diluted Earning Per Share | (5.33) | (6.01) | (1.94) |
| Net Asset Value | (1.50) | (0.94) | (0.25) |

OTHER GROUP ENTITIES

The details of our Group entities are provided below:

| | |
|------------------------------|--|
| Name of Firm | Ekomp Print and Pack |
| Date of incorporation | 30.08.2022 |
| Status | Partnership Firm |
| Nature of Business | Printing and Packaging Materials |
| Registered Office | Plot No.656 Phase-1Industrial Area Chandigarh Punjab160002 |

Profit Sharing Ratio is mentioned below:-

| S. No. | Name of Partners | Profit/ Loss Sharing Ratio |
|--------|------------------------|----------------------------|
| 1. | Mr. Rishab Raheja | 50.00% |
| 2. | Mr. Gurinder Pal Singh | 50.00% |

Past financial performance is mentioned below:-

| Particulars | FY 2022-23 | FY 2021-22 | FY 2020-21 |
|------------------|------------|------------|------------|
| Total Income | 264.466 | - | - |
| Profit after Tax | 6.27 | - | - |
| Total Capital | 88.90 | - | - |

| | |
|------------------------------|--|
| Name of Firm | Sukhmani Enterprises |
| Date of incorporation | 12.04.2021 |
| Status | Partnership Firm |
| Nature of Business | Gym and Fitness Services |
| Registered Office | SCO No.4-8, Sector-78, Urban Estate, SAS Nagar Mohali-160055 |

Profit Sharing Ratio is mentioned below:

| S. No. | Name of Partners | Profit/ Loss Sharing Ratio |
|--------|---------------------|----------------------------|
| 1. | Mrs Bharminder Kaur | 50.00% |
| 2. | Mr Tanveer Singh | 50.00% |

Past financial performance is mentioned below:

| Particulars | FY 2022-23 | FY 2021-22 | FY 2020-21 |
|------------------|------------|------------|------------|
| Total Income | - | 77.63 | - |
| Profit after Tax | - | 3.12 | - |
| Total Capital | (17.93) | 3.42 | - |

| | |
|------------------------------|---|
| Name of Firm | Trinity Biotech |
| Date of incorporation | 25.03.2019 |
| Status | Partnership Firm |
| Nature of Business | Pharmaceuticals |
| Registered Off: | SCO \ 173, Basement, Sector 38, Chandigarh - 160036 |

Profit Sharing Ratio is mentioned below:

| S. No. | Name of Partners | Profit/ Loss Sharing Ratio |
|--------|---------------------|----------------------------|
| 1. | Mrs Bharminder Kaur | 45.00% |
| 2. | Mr Gurmeet Singh | 45.00% |
| 3. | Ms Muskan Gupta | 10.00% |

Past financial performance is mentioned below:

| Particulars | FY 2022-23 | FY 2021-22 | FY 2020-21 |
|------------------|------------|------------|------------|
| Total Income | 393.77 | 473.34 | 390.16 |
| Profit after Tax | 0.59 | 0.07 | 0.50 |
| Total Capital | 31.12 | 46.14 | 62.33 |

| | |
|------------------------------|---|
| Name of Firm | Unique Motor |
| Date of incorporation | 30.04.2011 |
| Status | Partnership Firm |
| Nature of Business | Two-Wheeler Automobiles and spare parts |
| Registered Office | Sugar Mill Road, Morinda, Punjab |

Profit Sharing Ratio is mentioned below:

| S. No. | Name of Partners | Profit/ Loss Sharing Ratio |
|--------|---------------------|----------------------------|
| 1. | Mrs Bharminder Kaur | 50.00% |
| 2. | Mrs. Manjit Weryah | 50.00% |

Past financial performance is mentioned below:

| Particulars | FY 2022-23 | FY 2021-22 | FY 2020-21 |
|------------------|------------|------------|------------|
| Total Income | 320.72 | 275.11 | 203.77 |
| Profit after Tax | 9.15 | 3.39 | 2.2 |
| Total Capital | 40.58 | 32.11 | 29.03 |

OTHER CONFIRMATIONS

- a. None of our group Companies have any interest in the promotion of our Company.
- b. None of our Group Companies is interested in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus, or proposed to be acquired. Further, our Group Companies have not made any public or rights issue of securities in the three years preceding the date of this Draft Red Herring Prospectus.
- c. The securities of our Group Companies are not listed on any stock exchange (in India or abroad).
- d. Our Group Companies have not failed to meet the listing requirements or have failed to list on any recognised stock exchange in India or abroad.

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RELATED PARTY TRANSACTION

For details on related party transaction of our Company, please refer to Restated Financial Statements beginning on page [•] of this Draft Red Herring Prospectus.

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DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company. We have not declared dividend in any Financial Year.

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SECTION VI - FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Information for the period ended March 31, 2024 and December 31, 2023 and for the financial year ended March 31, 2023 and March 31, 2022.

The Restated Financial Information referred to above is presented under “Restated Financial Information” beginning on page no. [•]. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page no. [•].

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Independent Auditor's Examination Report on Restated Financial Information of Amster Labs Limited (As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,
The Board of Directors
Amster Labs Limited
SCO 166-167, First Floor,
Sector – 9C
Chandigarh, 160009

Dear Sir/ Ma'am,

1. We have examined the attached Restated Financial Information of Amster Labs Limited (hereinafter referred as “the Company” or the “Issuer”) comprising the Restated Statement of Assets and Liabilities of the Company as at March 31, 2024, December 31, 2023, March 31, 2023 and March 31, 2022, the Restated Statements of Profit and Loss of the company, the Restated Cash Flow Statement of the company for the period ended on March 31, 2024, December 31, 2023, March 31, 2023 and March 31, 2022, the Statement of Significant Accounting Policies adopted by the company and notes to the restated financial information (collectively hereinafter referred as “Restated Financial Statement” or “Restated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on August 01, 2024 for the purpose of inclusion in the Offer Document prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares (“SME IPO”) at SME Platform of NSE Limited (“NSE Emerge”).
2. These restated Statement have been prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Document to be filed with Securities and Exchange Board of India (“SEBI”), the relevant Stock Exchange (“NSE Emerge”) and Registrar of Companies (“ROC”) in connection with the proposed SME IPO. The Restated Financial Information of the company have been extracted and prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Information. The Board of Directors of the Company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed IPO of equity shares of the Issuer;
 - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. This Restated Financial Information have been compiled by the management from:

- a) Audited financial statements of the Company as at and for the period ended March 31, 2024, prepared in accordance with the Indian Accounting Standards (“Indian GAAP”) which have been approved by the Board of Directors at their meeting held on 01st August, 2024, and audited financial statements of the firm as at and for the period ended December 31, 2023, March 31, 2023 and March 31, 2022. The Amster Labs Limited is incorporated on January 01, 2024 and was a partnership firm before the same.
6. For the purpose of our examination, we have relied on:
- b) Auditors’ Report issued by us dated 01st August, 2024.
Reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Statement of Significant Accounting Policies adopted by the company and notes to the restated financial information (collectively hereinafter referred as “Restated Financial Statement” or “Restated Financial Information”) examined by us for the said years.
7. Based on our examination and according to the information and explanations given to us, we report that:
- a) The “Restated Statement of Assets and Liabilities” as set out in Annexure I to this report, of the Company as at and for period ended on March 31, 2024, December 31, 2023, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
- b) The “Restated Statement of Profit and Loss” as set out in Annexure II to this report, of the Company as at and for the period ended March 31, 2024, December 31, 2023, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
- c) The “Restated Statement of Cash Flow” as set out in Annexure III to this report, of the Company as at and for the period ended March 31, 2024, December 31, 2023, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
- d) The Restated Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- e) The Restated Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years to which they relate, if any and there are no qualifications which require adjustments;
- f) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
- g) There were no qualifications in the Audit Report issued by the Statutory Auditors as at and for the period ended March 31, 2024.
- h) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure IV to this report;
- i) Adjustments in Restated Statements have been made in accordance with the correct accounting policies, which includes the impact of adjustments for Deferred Tax Assets/Liabilities made basis in the Restated Statements;
- j) The company has not proposed any dividend in past effective for the said period.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the period ended March 31, 2024, December 31, 2023, March 31, 2023 and March 31, 2022 proposed to be included in the Offer Document.

Annexures of Restated Financial Statements of the Company: -

1. Details of Equity Share Capital as restated as appearing in note I.1 to this report.
2. Details of Reserve & Surplus as Restated as appearing in note - I.2 to this report.
3. Details of Long Term Borrowings as Restated as appearing in note- I.3 to this report.
4. Details of Other Long Term Liabilities as Restated as appearing in note- I.4 to this report.
5. Details of Deferred Tax Liability (Net) as Restated as appearing in note- I.5 to this report.
6. Details of Long Term Provision as Restated as appearing in note- I.6 to this report.
7. Details of short Term Borrowings as Restated as appearing in note- I.7 to this report.
8. Details of Trade Payables as Restated as appearing in note- I.8 to this report.
9. Details of Other Current Liabilities as Restated as appearing in note- I.9 to this report.
10. Details of Short Term Provision as Restated as appearing in note- I.10 to this report
11. Details of Fixed Assets as Restated as appearing in note- I.11 to this report.
12. Details of Other Non-Current Assets as Restated as appearing in note- I.13 to this report.
13. Details of Inventories as Restated as appearing in note- I.14 to this report.
14. Details of Trade Receivables as Restated enclosed as note- I.15 to this report.
15. Details of Cash and Cash Equivalents as Restated enclosed as note- I.16 to this report.
16. Details of Short Term Loans & Advances as Restated as appearing in note- I.17 to this report.
17. Details of other Current Assets as Restated as appearing in note- I.18 to this report.
18. Details of Revenue from operations as Restated as appearing in note- II.1 to this report.
19. Details of Other Income as Restated as appearing in note- II.2 to this report.
20. Details of Cost of Material Consumed as Restated as appearing in note- II.3 to this report.
21. Details of Changes in Inventories of Stock-In-Trade as Restated as appearing in note- II.4 to this report.
22. Details of Employee Benefit Expenses as Restated as appearing in note- II.5 to this report.
23. Details of Finance Cost as Restated as appearing in note- II.6 to this report.
24. Details of Depreciation and Amortization as Restated as appearing in note- II.7 to this report.
25. Details of Other expenses as Restated as appearing in note- II.8 to this report.
26. Reconciliation of Restated Profit as appearing in Annexure V to this report.
27. Other notes to the Restated Financial Statements as appearing in Annexure VI to this report.
28. Statement of Contingent Liabilities as Restated as appearing in Annexure VII to this report.
29. Details of Related Parties Transactions as Restated as appearing in Annexure VIII to this report;
30. Details of Accounting Ratios as Restated as appearing in Annexure IX to this report
31. Statement of Capitalization as Restated as at 31st March 2024 as appearing in Annexure X to this report.
32. Statement of Employee Benefit as Restated as appearing in Annexure XI to this report.

9. We, M/s Mittal Goel & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 5 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Document to be filed with Securities and Exchange Board of India (“SEBI”), the relevant stock exchange (“NSE Emerge”) and Registrar of Companies (“ROC”) in connection with the proposed SME IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Mittal Goel & Associates**
Chartered Accountants
FRN: 017577N

SD/-
Sandeep Kumar Goel
Partner
Membership No. 099212
Place: Chandigarh
Date: 01st August 2024
UDIN:24099212BKCZQJ7465

Annexure I-Restated Statement of Assets and Liabilities

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

| Particulars | | Note | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|-------------|---|------|---------------------|---------------------|---------------------|---------------------|
| I | EQUITY AND LIABILITIES | | | | | |
| | Shareholders' Funds | | | | | |
| | (a) Equity Share Capital | I.1 | 742.51 | 600.00 | 341.60 | 341.60 |
| | (b) Reserves and Surplus | I.2 | 912.41 | 0.00 | 835.90 | 602.87 |
| | | | | | | |
| | Non-Current Liabilities | | | | | |
| | (a) Long-Term Borrowings | I.3 | 853.37 | 903.69 | 725.19 | 1,008.96 |
| | (b) Other Long-Term Liabilities | I.4 | 17.00 | 17.00 | 39.00 | 24.00 |
| | (c) Deferred Tax Liabilities (net) | I.5 | 106.81 | 141.83 | 162.50 | 103.02 |
| | (d) Long-Term Provisions | I.6 | 32.65 | 25.81 | 22.22 | 15.48 |
| | | | | | | |
| | Current liabilities | | | | | |
| | (a) Short-Term Borrowings | I.7 | 3,145.28 | 3,349.39 | 2,163.02 | 1,480.04 |
| | (b) Trade Payables | I.8 | | | | |
| | (i) total outstanding dues of micro enterprises and small enterprises | | - | - | - | - |
| | (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | 4,069.98 | 4,148.96 | 2,970.27 | 3,141.66 |
| | (c) Other Current Liabilities | I.9 | 928.19 | 363.79 | 234.51 | 172.24 |
| | (d) Short-Term Provisions | I.10 | 255.02 | 195.34 | 43.49 | 15.18 |
| | TOTAL | | 11,063.22 | 9,745.81 | 7,537.70 | 6,905.04 |
| | | | | | | |
| II | ASSETS | | | | | |
| | Non-current assets | | | | | |
| | (a) Property, Plant and Equipment and Intangible assets | | | | | |
| | (i) Property, Plant and Equipment | I.11 | 2,194.22 | 2,147.71 | 1,961.66 | 1,842.24 |
| | (ii) Intangible Assets | I.12 | 1.94 | 2.04 | 0.44 | 0.78 |
| | (iii) Capital Work in Progress | - | 320.48 | - | - | - |
| | (b) Non Current Investments | - | - | - | - | - |
| | (c) Long Term Loans and Advances | - | - | - | - | - |
| | (d) Other Non Current Assets | I.13 | 42.05 | 36.88 | 23.16 | 42.96 |
| | | | | | | |
| | Current assets | | | | | |
| | (a) Inventories | I.14 | 2,907.51 | 2,710.36 | 1,986.57 | 1,180.28 |
| | (b) Trade Receivables | I.15 | 4,972.03 | 4,412.52 | 3,186.67 | 3,222.88 |
| | (c) Cash and Bank Balances | I.16 | 204.52 | 41.01 | 89.04 | 49.67 |
| | (d) Short-Term Loans and Advances | I.17 | 104.25 | 111.90 | 62.94 | 37.23 |
| | (e) Other Current Assets | I.18 | 316.22 | 283.39 | 227.24 | 529.01 |
| | TOTAL | | 11,063.22 | 9,745.81 | 7,537.70 | 6,905.04 |

The Notes Referred to above form an integral part of these financial statements.
In terms of our report attached

For Mittal Goel & Associates.
Chartered Accountants
Firm Regn. No. 017577N

SD/-
Sandeep Kumar Goel
Partner
Membership. No. 099212

Place : Chandigarh
Date: August 1, 2024
UDIN: 24099212BKCZQJ7465

for and on behalf of the Board of Directors
Amster Labs Limited

SD/-
Uttamjit Singh
Director
DIN: 08117764

SD/-
Shweta
Company Secretary
PAN: GCJPS6656D

SD/-
Rajinder Kumar Raheja
Director
DIN: 08117763

SD/-
Amit Gupta
Director and CFO
DIN: 08117712

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Annexure II-Restated Statement of Profit And Loss

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

| Particulars | | Note No. | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|-------------|---|----------|---|---|-------------------------------------|-------------------------------------|
| I | Revenue from Operations | II.1 | 3,531.90 | 8,262.68 | 10,526.21 | 9,649.39 |
| II | Other Income | II.2 | 18.36 | 7.83 | 2.34 | 47.92 |
| III | Total Income (I + II) | | 3,550.26 | 8,270.51 | 10,528.55 | 9,697.31 |
| IV | Expenses | | | | | |
| | (a) Cost of Material Consumed | II.3 | 2,153.42 | 6,587.33 | 8,096.26 | 7,702.84 |
| | (b) Purchases of Stock-in-Trade | - | - | - | - | - |
| | (c) Changes in Inventories of Finished Goods, work in Progress and Stock in Trade | II.4 | (32.79) | (547.58) | (96.72) | 9.67 |
| | (d) Employee Benefits Expenses | II.5 | 381.55 | 911.92 | 1,154.39 | 895.00 |
| | (e) Finance Costs | II.6 | 81.71 | 230.50 | 245.44 | 166.53 |
| | (f) Depreciation and Amortisation Expenses | II.7 | 40.99 | 120.81 | 143.33 | 120.79 |
| | (g) Other Expenses | II.8 | 203.50 | 440.17 | 608.18 | 612.14 |
| V | Total Expenses | | 2,828.37 | 7,743.16 | 10,150.88 | 9,506.97 |
| VI | Profit before exceptional and extraordinary items and tax (III - IV) | | 721.89 | 527.35 | 377.67 | 190.35 |
| VII | Exceptional Items (Net Income) | - | - | - | - | - |
| VIII | Profit Before Extraordinary Items And Tax (IV-V) | | 721.89 | 527.35 | 377.67 | 190.35 |
| VII | Extraordinary Items | | | | | |
| VIII | Profit Before Tax (V + VI) | | 721.89 | 527.35 | 377.67 | 190.35 |
| | Tax Expense: | | | | | |
| | (a) Current Tax | | 176.98 | 206.72 | 75.15 | 42.28 |
| | (b) Deferred Tax | | (35.01) | (20.67) | 59.48 | 25.30 |
| IX | Total Tax Expense | | 141.97 | 186.05 | 134.63 | 67.58 |
| | Profit After Tax (VII - VIII) | | 579.92 | 341.30 | 243.04 | 122.76 |
| X | Earnings Per Share (FV Rs. 10 each): | | | | | |
| | (a) Basic | II.9 | 9.42 | 5.69 | 7.11 | 3.59 |
| | (b) Diluted | II.9 | 9.42 | 5.69 | 7.11 | 3.59 |

The Notes Referred to above form an integral part of these financial statements.

In terms of our report attached

For Mittal Goel & Associates.
Chartered Accountants
Firm Regn. No. 017577N

SD/-
Sandeep Kumar Goel
Partner
Membership. No. 099212

Place : Chandigarh
Date: 01-08-2024

for and on behalf of the Board of Directors
Amster Labs Limited

SD/-
Uttamjit Singh
Director
DIN: 08117764

SD/-
Shweta
Company Secretary

SD/-
Rajinder Kumar Raheja
Director
DIN: 08117763

SD/-
Amit Gupta
Director and CFO

Annexure III -Restated Statement of Cash Flows

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|----------------------------------|----------------------------------|
| Profit before tax and exceptional Items | 721.89 | 527.35 | 377.67 | 190.35 |
| Adjustments for: | | | | |
| Depreciation & amortization expense | 40.99 | 120.81 | 143.33 | 120.79 |
| Interest expense on borrowings | 75.12 | 213.28 | 236.12 | 157.93 |
| Interest income | (18.36) | (7.83) | (2.34) | (47.92) |
| Operating Profit before working capital changes | 819.64 | 853.62 | 754.78 | 421.15 |
| Changes in operating assets and liabilities: | | | | |
| Increase/(decrease) in trade payables | (78.98) | 1,178.69 | (171.38) | 1,350.31 |
| Increase/(decrease) in other current liabilities | 347.10 | 16.40 | (28.14) | (6.77) |
| Increase/(decrease) in other non current liabilities | 6.84 | (18.41) | 21.75 | 19.03 |
| Decrease/(increase) in loans and advances | 7.65 | (48.96) | (25.71) | 2.68 |
| Decrease/(increase) in trade receivables | (559.50) | (1,225.85) | 36.21 | (1,331.73) |
| Decrease/(increase) in inventories | (197.15) | (723.79) | (806.29) | (468.95) |
| Decrease/(increase) in other non current assets and Loan & advance | (5.17) | (13.72) | 19.80 | (7.97) |
| Decrease/(increase) in other current assets | (32.83) | (56.15) | 301.77 | (215.33) |
| Cash generated from operations | 307.59 | (38.17) | 102.77 | (237.58) |
| Income taxes refunded/ (paid) | 100.00 | 58.00 | 43.57 | 26.76 |
| Net cash flow from operations (A) | 407.59 | 19.83 | 146.34 | (210.82) |
| Cash flow from investing activities | | | | |
| Purchase of /Advances for property, plant & equipment and Intangible as | (407.88) | (308.47) | (262.40) | (357.31) |
| Interest received | 18.36 | 7.83 | 2.34 | 47.92 |
| Net cash used in investing activities (B) | (389.52) | (300.64) | (260.06) | (309.38) |
| Cash flow from financing activities | | | | |
| Partners Capital Introduced/(Withdrawn) | - | (918.80) | (10.01) | 28.08 |
| Issue of Shares | 475.00 | - | | |
| Proceeds/(Repayment) of Long Term Borrowings | (50.32) | 178.50 | (283.77) | 552.75 |
| Proceeds/(Repayment) of Short Term Borrowings | (204.11) | 1,186.37 | 682.98 | 122.97 |
| Interest paid | (75.12) | (213.28) | (236.12) | (157.93) |
| Net cash flow from/ (used in) financing activities (C) | 145.45 | 232.79 | 153.08 | 545.87 |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | 163.52 | (48.02) | 39.36 | 25.66 |
| Cash and cash equivalents at the beginning of the year | 41.01 | 89.04 | 49.68 | 24.01 |
| Cash and cash equivalents at the closing of the year | 204.52 | 41.01 | 89.04 | 49.67 |

a) Cash and Cash Equivalents included in Cash Flow Statement comprise of following (Refer Note I-17):

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|--|--|--|--|
| Cash in hand | 27.70 | 21.34 | 7.39 | 6.72 |
| Cheques in hand | - | - | - | - |
| Balances with Banks in Current Accounts | 169.62 | 9.25 | 72.65 | 42.96 |
| Bank Deposits - Security for Tender | 7.20 | 10.41 | 9.00 | - |
| Total | 204.52 | 41.01 | 89.04 | 49.67 |

In terms of our report attached

For Mittal Goel & Associates.
Chartered Accountants
Firm Regn. No. 017577N

SD/-
Sandeep Kumar Goel
Partner
Membership. No. 099212

Place: Chandigarh
Date: 01-08-2024
UDIN- 24099212BKC2QJ7465

for and on behalf of the Board of Directors
Amster Labs Limited

SD/-
Uttamjit Singh
Director
DIN: 08117764

SD/-
Shweta
Company Secretary
PAN: GCJPS6656D

SD/-
Rajinder Kumar Raheja
Director
DIN: 08117763

SD/-
Amit Gupta
Director and CFO
DIN: 08117712

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Annexure IV- Significant accounting policies and Notes to the Restated Financial Statements

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

A Background

Our Company was originally formed as a partnership firm under the name and style of 'M/s. Amster Labs' pursuant to the deed of partnership dated, amended and restated from time to time. Thereafter our firm got converted to a unlisted public limited company under Part I of chapter XXI of the Companies Act, 2013 under the name of "Amster Labs Limited" at Chandigarh, under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated **January 01, 2024** bearing Corporate Identification Number: **U21001CH2024PLC045445**

During the year Amster Labs, Partnership firm, acquired the business of M/s Uniroyal Biotech and M/s Sukhmani Print and pack partnership firms, vide a business takeover agreement dated November 28, 2023 for both.

B Statement of Significant Accounting Policy**1 Basis Of Preparation Of Financial Statements**

The Restated Statement of Assets and Liabilities of the Company as on March 31, 2024, December 31, 2023, March 31, 2023 and March 31, 2022 and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for the Period ended on March 31, 2024, December 31, 2023, March 31, 2023 and March 31, 2022 and the annexure thereto (collectively, the "Restated Financial Statements") have been extracted by the management from the Financial Statements of the Company.

The financial statements of the company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises the Accounting Standards notified u/s S.133 read with S.469 of the Companies Act, 2013. The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

The Financial Statements have been prepared on a going concern basis, in as much as the management neither intends to liquidate the company nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis. Based on the nature of products and services, and the time between the acquisition of assets and realization in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purposes of current and non-current classification of assets and liabilities.

2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates, judgements and assumptions that affect the reported amount of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities at the end of reporting period. The Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision of accounting estimates is recognized prospectively in the current and future periods.

3 Property, Plant & Equipment's & Depreciation

Property, plant and equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses. All other repair and maintenance cost are recognized in the statement of the profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Pre-operative expenditure incurred up to the date of commencement of commercial production is capitalized as part of property, plant and equipment. Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repairs, maintenance expenditure and cost of replacing parts are charges to the statement of profit and loss for the period during which such expenses are incurred.

Capital work in progress includes property plant & equipment under installation/under development as at the balance sheet date.

Property plant and Equipment and derecognized from the financial statement, either on disposal or when no economic benefits are expected from its use or disposal, losses arising in the case of retirement of property, plant and equipment and gain from thus arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Depreciation on all tangible assets has been provided on the basis of Straight Line value method over the remaining useful lives of assets as prescribed under Part "C" of Schedule II of Companies Act, 2013 except the categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance support etc accordingly the useful life of the referred property plant and equipment has been reviewed by Chartered Engineer(CE).

Depreciation on addition is charged proportionately from the date of its acquisition/installation.

4 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS-5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the company's intangible assets is as below:

Useful Life

Computer Software 3 years

5 Impairment Of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. The recoverable amount of the asset (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Value in use is the present value of estimated future cash flow expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. Value in use is the present value of estimated future cash flow expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

6 Foreign currency transactions and Balances

The reporting currency of the Company is Indian Rupee.

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expenses in the period in which they arise.

7 Borrowings Costs

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangements of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset (considered individually) that necessarily takes a substantial period (more than 12 months) of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

8 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

9 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is recognized at point in time when the performance obligation with respect to Sale of Chemicals or rendering of services to the Customer which is the point in time when the customer receives the goods and services.

Revenue from related parties is recognized based on transaction price which is at arm's length.

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates, sales return on transfer of control in respect of ownership to the buyer which is generally on dispatch of goods and any other taxes or duties collected on behalf of the Government which are levied on sales such as Goods and Services Tax (GST). Discounts given include rebates, price reductions and other incentive given to customers. No element of financing is deemed invent as the sales are made with a payment term which is consistent with market practice.

Revenue from sales of goods is recognised when all the significant risks and rewards of ownership are transferred to the buyer and the company retains no effective control of the goods transferred to a degree usually associated with ownership; and no significant uncertainty exists regarding the amount the consideration that will be derived from the sales of goods.

10 Other Income

Income in respect of interest, insurance claims, export benefits, subsidy etc. is recognized to the extent the company is reasonably certain of its ultimate realization and henceforth, is included under the head "other income" in the statement of profit and loss. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

11 Inventories

Inventories are valued at lower of the cost and estimated net realisable value. Cost of inventories is computed on a weighted average/FIFO basis. Finished Goods and Work in Progress include Raw Material Cost, Cost of conversion and other cost in bringing the inventories to their present location and conditions.

(i) Raw Material and Packing Materials:

Raw Material and Packing materials are valued at lower of cost or market value. However material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

(ii) Work in Process

Work in Process are valued at the lower of cost and net realizable value.

(iii) Finished Goods and Semi-Finished Goods

Finished Goods and Semi-Finished Goods are valued at lower of cost and net realised value. The cost includes cost of materials, cost of conversion and other cost incurred in acquiring the inventory and bringing them to their present location and condition.

12 Employee Benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit plan for its employees, viz., gratuity. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as other employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

13 Segment Accounting

The Company is engaged only in the Business of manufacturing and dealing in Speciality Chemicals and Pharmaceuticals hence has only single reportable business segment in the context of Accounting Standard 17 on Segment Reporting.

14 Accounting Taxes on Income

The provision for current taxation is computed in accordance with the relevant tax regulations. Deferred tax is recognised on timing differences between the accounting and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as at the Balance Sheet date. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses under tax laws are recognised and carried forward to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised in future. Where there is no unabsorbed depreciation / carry forward loss, deferred tax assets are recognised only to the extent there is a reasonable certainty of realisation in future.

15 Provisions and contingent liabilities

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to their present value. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefit will arise. When an inflow of economic benefit is probable, contingent assets are disclosed in the financial statements.

16 Earning per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

17 Cash & Cash Equivalent

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. 'Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and fixed deposit in the banks.

18 Cash Flow Statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated. Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and FDRs & margin money with bank.

19 Changes In Accounting Policies In The Years Covered In The Restated Financials

There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement, except:

1} Accounting of retirement benefits was accounted on cash basis which is not as per AS-15 (Revised) *Employee benefits”. however, during the restatement Company has accounted such retirement benefits basis actuarial valuation certificate.

2) Useful life of the Tangible and Intangible Assets were restated as per life provided under Schedule II of the Companies Act, 2013 which was earlier charged on the basis of assumption of life taken by the management.

3} A provision is to be recognized when the Company has a present obligation as a result of a past event, It is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Effect of AS-29, Provisions, Contingent Liabilities and Contingent Assets have been properly given in the restated financial statements.

20 Contingencies and events occurring after Balance Sheet Date

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes to accounts when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote. Contingent Assets are not recognized in the Financial Statements.

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I.1 Restated Statement of Equity Share Capital

I.1.1 Equity Share Capital

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|---|---------------------|---------------------|---------------------|---------------------|
| (a) Authorized Share Capital* | | | | |
| Equity Share Capital | 750.00 | 750.00 | 750.00 | 750.00 |
| Total Authorized Share Capital | 750.00 | 750.00 | 750.00 | 750.00 |
| (b) Issued, Subscribed & Fully Paid-up Shares*** | | | | |
| Equity Share Capital | 742.51 | - | - | - |
| Partner's Capital | - | 600.00 | 341.60 | 341.60 |
| Total Issued, Subscribed & Fully Paid-up Shares | 742.51 | 600.00 | 341.60 | 341.60 |

Details of No. of Shares

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|---|---------------------|---------------------|---------------------|---------------------|
| (a) Authorized Share Capital* | | | | |
| No of Equity Shares | 75,00,000.00 | 75,00,000.00 | 75,00,000.00 | 75,00,000.00 |
| Face Value per Share** | 10.00 | 10.00 | 10.00 | 10.00 |
| Equity Share Capital | 750.00 | 750.00 | 750.00 | 750.00 |
| (b) Issued, Subscribed & Fully Paid-up Shares*** | | | | |
| No of Equity Shares | 74,25,130.00 | 60,00,000.00 | 34,16,000.00 | 34,16,000.00 |
| Face Value per Share** | 10.00 | 10.00 | 10.00 | 10.00 |
| Equity Share Capital | 742.51 | 600.00 | 341.60 | 341.60 |

*Authorized Share Capital has been assumed for the previous years on the basis on the authorised capital on the date of incorporation.

**Face value of equity shares has been assumed for the previous years on the basis of face value as on the date of incorporation.

***Issued, Subscribed & Fully Paid-up Shares for the previous years has been assumed on the basis of the Partner's Capital Account.

I.1.2 Reconciliation of shares outstanding at the beginning and at the end of the reporting period

| Particulars | As at 31.03.2024 | | As at 31.12.2023 | | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---------------------|---------------|---------------------|---------------|---------------------|---------------|---------------------|---------------|
| | No. of shares | Amount |
| Equity shares | | | | | | | | |
| Balance at the beginning of the period/ year | 60,00,000.00 | 600.00 | 34,16,000.00 | 341.60 | 34,16,000.00 | 341.60 | 34,16,000.00 | 341.60 |
| Issued during the year | 14,25,130.00 | 142.51 | 25,84,000.00 | 258.40 | - | - | - | - |
| Balance at the end of the reporting period/ year | 74,25,130.00 | 742.51 | 60,00,000.00 | 600.00 | 34,16,000.00 | 341.60 | 34,16,000.00 | 341.60 |

I.1.3 Terms/ rights attached to Equity Shares

The company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed (if any) by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

I.1.4 Details of shareholders holding more than 5% shares in the Company

| Name of Shareholder | As at 31 March 2024 | | As at 31 December 2023 | | As at 31 March, 2023 | | As at 31 March, 2022 | |
|------------------------------|---------------------|---------------|------------------------|-----------|----------------------|-----------|----------------------|-----------|
| | No. of shares | % holding | No. of shares | % holding | No. of shares | % holding | No. of shares | % holding |
| Mr. Uttamjit Singh Sabharwal | 18,37,800 | 24.75% | - | - | - | - | - | - |
| Mr. Rajinder Kumar Raheja | 6,00,000 | 8.08% | - | - | - | - | - | - |
| Mr. Amit Gupta | 8,62,200 | 11.61% | - | - | - | - | - | - |
| Mr. Satyan Anand | 18,37,800 | 24.75% | - | - | - | - | - | - |
| Total | 51,37,800 | 69.19% | - | - | - | - | - | - |

I.1.5 Details of Promoter shareholding

| Name of Shareholder | As at 31.03.2024 | | | As at 31.12.2023 | | | As at 31.03.2023 | | | As at 31.03.2022 | | |
|---------------------------|------------------|-----------|----------|------------------|-----------|----------|------------------|-----------|----------|------------------|-----------|----------|
| | No. of shares | % holding | % Change | No. of shares | % holding | % Change | No. of shares | % holding | % Change | No. of shares | % holding | % Change |
| Bharminder Kaur Sabharwal | 3,00,000 | 4.04 | 4.04 | - | - | - | - | - | - | - | - | - |
| Rajinder Raheja | 6,00,000 | 8.08 | 8.08 | - | - | - | - | - | - | - | - | - |
| Satyan Anand | 18,37,800 | 24.75 | 24.75 | - | - | - | - | - | - | - | - | - |
| Amit Gupta | 8,62,200 | 11.61 | 11.61 | - | - | - | - | - | - | - | - | - |
| Uttamjit Singh Sabharwal | 18,37,800 | 24.75 | 24.75 | - | - | - | - | - | - | - | - | - |
| Rishabh Raheja | 2,62,200 | 3.53 | 3.53 | - | - | - | - | - | - | - | - | - |
| Meena Anand | 3,00,000 | 4.04 | 4.04 | - | - | - | - | - | - | - | - | - |

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I.2 Restated Statement of Reserves and Surplus

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|---|---------------------|---------------------|---------------------|---------------------|
| (a) General Reserves | | | | |
| At the beginning of the year | 0.00 | 835.90 | 602.87 | 452.03 |
| Add: Transfer from Statement of Profit and Loss | 579.92 | 341.30 | 243.04 | 122.76 |
| Less: Drawings for the Year | - | -918.80 | -10.01 | 28.08 |
| Less: Transfer to Equity | - | -258.40 | - | - |
| Total (A) | 579.92 | 0.00 | 835.90 | 602.87 |
| (b) Security Premium | | | | |
| At the beginning of the year | - | - | - | - |
| Add: received during the year | 332.48 | - | - | - |
| (Less): Utilised for Bonus Issue | - | - | - | - |
| Total (B) | 332.48 | - | - | - |
| (c) Statement of Profit and Loss | | | | |
| At the beginning of the year | - | - | - | - |
| Add: Profit / (Loss) for the year | 579.92 | 341.30 | 243.04 | 122.76 |
| Less: Transfer to General Reserves | 579.92 | 341.30 | 243.04 | 122.76 |
| Total (c) | - | - | - | - |
| Total | 912.41 | 0.00 | 835.90 | 602.87 |

I.3 Restated Statement of Long-Term Borrowings

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|---|---------------------|---------------------|---------------------|---------------------|
| (A) Secured | | | | |
| (a) Term Loans: | | | | |
| From Banks | 620.62 | 667.11 | 502.84 | 606.46 |
| (b) Vehicle Loans: | | | | |
| From Banks | 69.92 | 107.08 | 103.86 | 149.02 |
| Total | 690.54 | 774.19 | 606.69 | 755.48 |
| Less: Current Maturities of Long-Term Borrowings | 293.94 | 328.33 | 251.74 | 148.79 |
| Total (A) | 396.60 | 445.85 | 354.95 | 606.69 |
| (B) Unsecured | | | | |
| Loan from related party | 456.77 | 457.83 | 370.24 | 402.27 |
| Total (B) | 456.77 | 457.83 | 370.24 | 402.27 |
| Total (A+B) | 853.37 | 903.69 | 725.19 | 1,008.96 |

(a) Principal amount of instalment due in the next following year on long term debt are separately disclosed under short term borrowings as current maturities on long term debt. All vehicle loans are against hypothecation of respective vehicles.

(b) Loan details (all amounts are stated in lakhs)

| Axis Bank* | | | | | |
|--|-------------|-------------|-----------------------|-----------------------|-----------------|
| Loan Amt | Date | Rate | Instalment No. | EMI (in lakhs) | Ended on |
| 450.00 | 10-Aug-19 | 10.30% | 77 | 8.75 | 01-Jan-27 |
| 90.00 | 15-Mar-18 | 8.70% | 84 | 1.07 | 01-Feb-25 |
| 205.00 | 31-Jul-22 | 6.75% | 78 | 2.50 | 01-Dec-28 |
| 50.00 | 15-Sep-23 | 8.70% | 84 | 0.60 | 01-Aug-30 |
| 71.73 | 03-Apr-19 | 9.26% | 60 | 1.50 | 01-Dec-23 |
| 74.00 | 27-Mar-21 | 7.26% | 60 | 1.47 | 01-Mar-26 |
| 15.00 | 27-Mar-19 | 9.40% | 48 | 0.38 | 01-Mar-23 |
| 14.00 | 27-Nov-23 | 8.95% | 60 | 0.29 | 01-Nov-28 |
| 18.00 | 10-Apr-23 | 9.65% | 48 | 0.45 | 01-Mar-27 |
| *Term Loan from Axis Bank is secured by charge of office building situated at Hilltop, ND. Estate, Vill. Bhatauli Kalan, Pargana ,Dharampur, Tehsil Baddi. | | | | | |
| HDFC Bank | | | | | |
| Loan Amt | Date | Rate | Instalment No. | EMI (in lakhs) | Ended on |
| 35.00 | 24-Oct-18 | 15.00% | 36 | 1.21 | 01-Nov-21 |
| 12.00 | 31-Mar-21 | 7.60% | 60 | 0.24 | 01-Apr-26 |
| 14.00 | 05-Feb-21 | 7.60% | 60 | 0.28 | 01-Jan-26 |
| | | | | | |
| Kotak Mahindra Bank | | | | | |
| Loan Amt | Date | Rate | Instalment No. | EMI (in lakhs) | Ended on |
| 100.00 | 10-Apr-22 | 11.00% | 24 | 4.66 | 01-Mar-25 |
| 100.00 | 29-Mar-23 | 12.60% | 24 | 4.74 | 01-Mar-25 |
| 13.50 | 04-Jul-23 | 9.75% | 48 | 0.34 | 01-Jul-27 |
| | | | | | |
| ICICI Bank | | | | | |
| Loan Amt | Date | Rate | Instalment No. | EMI (in lakhs) | Ended on |
| 13.00 | 10-Jun-19 | 9.50% | 48 | 0.33 | 01-May-23 |
| 45.00 | 05-Sep-20 | 8.10% | 84 | 0.70 | 01-Aug-27 |
| | | | | | |
| Standard Chartered Bank | | | | | |
| Loan Amt | Date | Rate | Instalment No. | EMI (in lakhs) | Ended on |
| 38.00 | 19-Sep-19 | 12.99% | 26 | 1.68 | 01-Nov-21 |
| 6.30 | 30-Sep-20 | 9.25% | 30 | 0.20 | 01-Jan-24 |
| | | | | | |
| RBL Bank | | | | | |
| Loan Amt | Date | Rate | Instalment No. | EMI (in lakhs) | Ended on |
| 35.18 | 05-Dec-18 | 15.00% | 36 | 1.20 | 01-Nov-21 |

I.4 Restated Statement of Other Long-Term Liabilities

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|---|---------------------|---------------------|---------------------|---------------------|
| Security/ Dealer Deposits from Agents and Dealers | 17.00 | 17.00 | 39.00 | 24.00 |
| Total | 17.00 | 17.00 | 39.00 | 24.00 |

I.5 Restated Statement of Deferred Tax Liability

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|--|---------------------|---------------------|---------------------|---------------------|
| Deferred tax liability | | | | |
| Property Plant and Equipment | 116.01 | 151.91 | 136.36 | 109.12 |
| Prior Period Income | | | 34.87 | |
| Tax effect of items constituting deferred tax liability | 116.01 | 151.91 | 171.22 | 109.12 |
| Deferred tax asset | | | | |
| Carried forward Loss and Unabsorbed Depreciation | | - | - | - |
| Employee benefits and Other Expenses u/s 43B | 9.19 | 10.09 | 8.72 | 6.10 |
| Tax effect of items constituting deferred tax assets | 9.19 | 10.09 | 8.72 | 6.10 |
| Net deferred tax liability / (asset) | 106.81 | 141.83 | 162.50 | 103.02 |

I.6 Restated Statement of Long-Term Provisions

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|
| Provision for Employee benefits | 32.65 | 25.81 | 22.22 | 15.48 |
| Total | 32.65 | 25.81 | 22.22 | 15.48 |

I.7 Restated Statement of Short-Term Borrowings

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|---|---------------------|---------------------|---------------------|---------------------|
| (A) Secured, (Repayable on Demand) | | | | |
| Cash Credit- Banks# | 1,930.59 | 2,022.85 | 1,643.43 | 1,013.60 |
| WCTL from Banks | 20.75 | 30.20 | 267.85 | 317.65 |
| (B) Current Maturities of Long-Term Borrowings | 293.94 | 328.33 | 251.74 | 148.79 |
| (C) Unsecured Loan from Related Party | 900.00 | 968.00 | - | - |
| Total | 3,145.28 | 3,349.39 | 2,163.02 | 1,480.04 |

#Terms of Loan:

Secured by Hypothecation of Stocks & Book debts, and First pair passu charge over entire fixed assets including equitable mortgage of Immovable properties of the company and further guaranteed by the Directors)

I.8 Restated Statement of Trade Payables

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|---|---------------------|---------------------|---------------------|---------------------|
| Trade Payables | | | | |
| (i) Micro enterprises and small enterprises | - | - | - | - |
| (ii) Other than micro enterprises and small enterprises | 4,069.98 | 4,148.96 | 2,970.27 | 3,141.66 |
| | | | | |
| Total | 4,069.98 | 4,148.96 | 2,970.27 | 3,141.66 |

Ageing for Trade payable

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|
| (i) Undisputed – MSME | | | | |
| Less than 1 year | - | - | - | - |
| 1-2 years | - | - | - | - |
| 2-3 years | - | - | - | - |
| More than 3 years | - | - | - | - |
| Total (i) | - | - | - | - |
| | | | | |
| (ii) Undisputed – Others | | | | |
| Less than 1 year | 4,015.04 | 4,057.50 | 2,865.22 | 3,002.68 |
| 1-2 years | 14.05 | 7.25 | 22.62 | 58.07 |
| 2-3 years | 9.83 | 7.77 | 46.95 | 30.36 |
| More than 3 years | 31.06 | 76.43 | 35.49 | 50.55 |
| Total (iii) | 4,069.98 | 4,148.96 | 2,970.27 | 3,141.66 |
| | | | | |
| (iii) Disputed – MSME | - | - | - | - |
| (iv) Disputed – Others | - | - | - | - |
| | | | | |
| Total (i+ii+iii+iv) | 4,069.98 | 4,148.96 | 2,970.27 | 3,141.66 |

Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, is not available with the company as the company is in the process of complying the information from its vendors.

I.9 Restated Statement of Other Current Liabilities

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|
| Statutory dues | 30.92 | 44.70 | 17.06 | 11.24 |
| Advance from Customers | 88.67 | 137.28 | 49.60 | 45.22 |
| Creditors for Capital Goods | 275.25 | - | - | - |
| Other expense payable | 148.25 | 142.80 | 167.84 | 115.78 |
| Cheques issued but not presented | 385.11 | 39.00 | - | - |
| Total | 928.19 | 363.79 | 234.51 | 172.24 |

I.10 Restated Statement of Short-Term Provisions

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|---|---------------------|---------------------|---------------------|---------------------|
| Provision for Income Tax (Net of prepaid taxes) | 251.14 | 192.27 | 40.74 | 13.20 |
| Provision for employee benefits | 3.88 | 3.06 | 2.75 | 1.98 |
| Total | 255.02 | 195.34 | 43.49 | 15.18 |

I.11 Restated Statement of Property, Plant and Equipment

| Particular | Land | Building | Plant & Machinery | Furniture & Fixtures | Vehicles | Office Equipment | Computer | Total |
|--------------------------------|---------------|---------------|-------------------|----------------------|---------------|------------------|--------------|-----------------|
| Gross Block | | | | | | | | |
| As at April 01, 2021 | 161.92 | 351.98 | 1,047.04 | 12.58 | 265.22 | 9.71 | 11.13 | 1,859.59 |
| Addition | 3.71 | 8.49 | 336.17 | - | 4.98 | - | 3.96 | 357.31 |
| Deletion | - | - | - | - | - | - | - | - |
| As at March 31, 2022 | 165.63 | 360.47 | 1,383.21 | 12.58 | 270.20 | 9.71 | 15.09 | 2,216.90 |
| | | | | | | | | |
| Addition | - | 67.99 | 190.50 | 0.79 | - | 0.11 | 3.00 | 262.40 |
| Deletion | - | - | - | - | - | - | - | - |
| As at March 31, 2023 | 165.63 | 428.46 | 1,573.71 | 13.36 | 270.20 | 9.83 | 18.09 | 2,479.29 |
| | | | | | | | | |
| Addition | - | 2.08 | 228.47 | 1.83 | 67.32 | 3.31 | 3.51 | 306.54 |
| Deletion | - | - | - | - | - | - | - | - |
| As at December 31, 2023 | 165.63 | 430.55 | 1,802.19 | 15.20 | 337.53 | 13.14 | 21.60 | 2,785.84 |
| | | | | | | | | |
| Addition | - | - | 86.98 | - | - | - | 0.42 | 87.40 |
| Deletion | - | - | - | - | - | - | - | - |
| As at March 31, 2024 | 165.63 | 430.55 | 1,889.16 | 15.20 | 337.53 | 13.14 | 22.02 | 2,873.23 |
| | | | | | | | | |
| Accumulated Depreciation | | | | | | | | |
| As at April 01, 2021 | - | 15.40 | 187.53 | 6.14 | 34.82 | 3.61 | 6.81 | 254.29 |
| for the year | - | 11.27 | 71.43 | 1.19 | 32.05 | 1.62 | 2.81 | 120.36 |
| Adjustments | - | - | - | - | - | - | - | - |
| As at March 31, 2022 | - | 26.67 | 258.95 | 7.33 | 66.86 | 5.23 | 9.61 | 374.66 |
| | | | | | | | | |
| for the year | - | 12.13 | 92.30 | 1.24 | 32.76 | 1.55 | 2.99 | 142.98 |
| Adjustments | - | - | - | - | - | - | - | - |
| As at March 31, 2023 | - | 38.79 | 351.25 | 8.58 | 99.63 | 6.78 | 12.61 | 517.64 |
| | | | | | | | | |
| for the year | - | 10.22 | 80.26 | 0.99 | 25.71 | 0.95 | 2.36 | 120.49 |

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| | | | | | | | | |
|--------------------------------|---------------|---------------|-----------------|-------------|---------------|-------------|--------------|-----------------|
| Adjustments | - | - | - | - | - | - | - | |
| As at December 31, 2023 | - | 49.01 | 431.51 | 9.57 | 125.34 | 7.73 | 14.96 | 638.13 |
| | | | | | | | | |
| for the year | - | 3.41 | 27.44 | 0.33 | 8.57 | 0.32 | 0.82 | 40.88 |
| Adjustments | - | - | - | - | - | - | - | - |
| As at March 31, 2024 | - | 52.42 | 458.96 | 9.90 | 133.91 | 8.04 | 15.78 | 679.01 |
| | | | | | | | | |
| As at March 31, 2021 | 161.92 | 336.58 | 859.52 | 6.44 | 230.41 | 6.10 | 4.33 | 1,605.29 |
| As at March 31, 2022 | 165.63 | 333.80 | 1,124.26 | 5.25 | 203.34 | 4.48 | 5.47 | 1,842.24 |
| As at March 31, 2023 | 165.63 | 389.67 | 1,222.46 | 4.79 | 170.57 | 3.05 | 5.48 | 1,961.66 |
| As at December 31, 2023 | 165.63 | 381.54 | 1,370.67 | 5.63 | 212.19 | 5.42 | 6.63 | 2,147.71 |
| As at March 31, 2024 | 165.63 | 378.13 | 1,430.21 | 5.30 | 203.62 | 5.10 | 6.24 | 2,194.22 |

I.12 Restated Statement of Intangible assets

| Particular | Software |
|--------------------------------|----------|
| Gross Block | |
| As at April 01, 2021 | 3.04 |
| Addition | - |
| Deletion | - |
| As at March 31, 2022 | 3.04 |
| | - |
| Addition | - |
| Deletion | - |
| As at March 31, 2023 | 3.04 |
| | - |
| Addition | 1.93 |
| Deletion | - |
| As at December 31, 2023 | 4.97 |
| | - |
| Addition | - |
| Deletion | - |
| As at March 31, 2024 | 4.97 |
| | |
| As at April 01, 2021 | 1.83 |
| for the year | 0.43 |
| Adjustments | - |
| As at March 31, 2022 | 2.26 |
| | - |
| for the year | 0.35 |
| Adjustments | - |
| As at March 31, 2023 | 2.60 |
| | - |
| for the year | 0.32 |
| Adjustments | - |
| As at December 31, 2023 | 2.93 |
| | - |
| for the year | 0.11 |
| Adjustments | - |
| As at March 31, 2024 | 3.04 |
| | |
| As at March 31, 2021 | 1.21 |
| As at March 31, 2022 | 0.78 |
| As at March 31, 2023 | 0.44 |
| As at December 31, 2023 | 2.04 |
| As at March 31, 2024 | 1.94 |

I.13 Restated Statement of Other Non-Current Assets

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|------------------|---------------------|---------------------|---------------------|---------------------|
| Security Deposit | 42.05 | 36.88 | 23.16 | 42.96 |
| Total | 42.05 | 36.88 | 23.16 | 42.96 |

I.14 Restated Statement of Inventories

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|------------------|---------------------|---------------------|---------------------|---------------------|
| Raw Material | 811.39 | 772.88 | 726.21 | 419.26 |
| Finished Goods | 344.06 | 327.83 | 80.75 | 11.62 |
| Work in Progress | 351.06 | 334.50 | 34.00 | 6.40 |
| Packing Material | 1,401.00 | 1,275.15 | 1,145.61 | 743.00 |
| Total | 2,907.51 | 2,710.36 | 1,986.57 | 1,180.28 |

I.15 Restated Statement of Trade receivables

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|----------------------------|---------------------|---------------------|---------------------|---------------------|
| Unsecured, considered good | 4,972.03 | 4,412.52 | 3,186.67 | 3,222.88 |
| Unsecured, Doubtful | - | - | - | - |
| Total | 4,972.03 | 4,412.52 | 3,186.67 | 3,222.88 |

Ageing for Trade Receivables

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|--|---------------------|---------------------|---------------------|---------------------|
| (i) Undisputed - Considered Good | | | | |
| Less than 6 Months | 4,370.68 | 3,932.81 | 3,084.27 | 3,178.57 |
| 6 Months -12 Months | 304.16 | 204.80 | 50.11 | 13.32 |
| 1-2 years | 82.76 | 107.30 | 52.29 | 30.99 |
| 2-3 years | 123.64 | 57.87 | - | - |
| More than 3 years | 90.79 | 109.74 | - | - |
| Total (i) | 4,972.03 | 4,412.52 | 3,186.67 | 3,222.88 |
| (ii) Undisputed - Considered Doubtful | | | | |
| Less than 6 Months | - | - | - | - |
| 6 Months -12 Months | - | - | - | - |
| 1-2 years | - | - | - | - |
| 2-3 years | - | - | - | - |
| More than 3 years | - | - | - | - |
| Total (ii) | - | - | - | - |
| (iii) Disputed - Considered Good | | | | |
| Less than 6 Months | - | - | - | - |
| 6 Months -12 Months | - | - | - | - |
| 1-2 years | - | - | - | - |
| 2-3 years | - | - | - | - |
| More than 3 years | - | - | - | - |
| Total (iii) | - | - | - | - |

| | | | | |
|--|-----------------|-----------------|-----------------|-----------------|
| (iv) Disputed - Considered Doubtful | | | | |
| Less than 6 Months | - | - | - | - |
| 6 Months -12 Months | - | - | - | - |
| 1-2 years | - | - | - | - |
| 2-3 years | - | - | - | - |
| More than 3 years | - | - | - | - |
| Total (iv) | - | - | - | - |
| Total (i+ii+iii+iv) | 4,972.03 | 4,412.52 | 3,186.67 | 3,222.88 |

I.16 Restated Statement of Cash and Bank Balances

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|---|---------------------|---------------------|---------------------|---------------------|
| Cash and Cash Equivalents | | | | |
| Cash in hand | 27.70 | 21.34 | 7.39 | 6.72 |
| Balances with Banks in Current Accounts | 169.62 | 9.25 | 72.65 | 42.96 |
| Others Cash and Bank Balances | | | | |
| Bank Deposits - Security Against Tender | 7.20 | 10.41 | 9.00 | - |
| Total | 204.52 | 41.01 | 89.04 | 49.67 |

I.17 Restated Statement of Short-Term Loans and Advances

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|
| Secured, considered good; | | | | |
| Advance to Supplier | 104.25 | 111.90 | 62.94 | 37.23 |
| Total | 104.25 | 111.90 | 62.94 | 37.23 |

I.18 Restated Statement of Other Current Assets

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Prepaid Expenses | 30.85 | 3.12 | 3.63 | 7.45 |
| Imprest and Staff Salary Advance | 18.65 | 15.45 | 4.45 | 2.28 |
| Balances with Government Authorities | | | | |
| GST Receivable | 211.42 | 252.90 | 187.80 | 516.81 |
| VAT Receivable | 1.44 | 1.44 | 1.44 | 1.44 |
| Security Deposits | 7.20 | 7.20 | 27.79 | - |
| Cheques Received but not represented | 43.39 | - | - | - |
| Other Current Assets | 3.27 | 3.27 | 2.14 | 1.03 |
| Total | 316.22 | 283.39 | 227.24 | 529.01 |

II.1 Restated Statement of Revenue from Operations

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|------------------------------|---|---|-------------------------------------|-------------------------------------|
| (A) Sale of Goods | 3,179.10 | 8,262.68 | 10,526.21 | 9,649.39 |
| Total | 3,179.10 | 8,262.68 | 10,526.21 | 9,649.39 |
| (B) Other Operating Revenues | 352.81 | - | - | - |
| Total | 3,531.90 | 8,262.68 | 10,526.21 | 9,649.39 |

II.2 Restated Statement of Other Income

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|----------------------|---|---|-------------------------------------|-------------------------------------|
| Interest Income | 0.22 | - | 0.10 | 0.19 |
| Miscellaneous Income | 18.14 | 7.83 | 2.24 | 47.73 |
| Total | 18.36 | 7.83 | 2.34 | 47.92 |

II.3 Restated Statement of Cost of Materials Consumed

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|---|---|-------------------------------------|-------------------------------------|
| Opening Stock of Raw material & Packaging Material | 2,048.03 | 1,871.82 | 1,162.26 | 683.64 |
| Add : Purchases | 2,315.48 | 6,738.30 | 8,769.01 | 8,162.53 |
| Add :Direct Manufacturing Expenses | 2.30 | 25.24 | 36.81 | 18.93 |
| Less : Closing Stock | 2,212.39 | 2,048.03 | 1,871.82 | 1,162.26 |
| Total | 2,153.42 | 6,587.33 | 8,096.26 | 7,702.84 |

II.4 Restated Statement of Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|-------------------------------------|-------------------------------------|
| Inventories at the end of the year/period: | | | | |
| Finished Goods | 344.06 | 327.83 | 80.75 | 11.62 |
| Work in progress | 351.06 | 334.50 | 34.00 | 6.40 |
| | 695.12 | 662.33 | 114.75 | 18.02 |
| Inventories at the beginning of the year/period: | | | | |
| Finished Goods | 327.83 | 80.75 | 11.62 | 19.19 |
| Work in progress | 334.50 | 34.00 | 6.40 | 8.50 |
| | 662.33 | 114.75 | 18.02 | 27.69 |
| Net (increase) / decrease in inventories of stock-in-trade | -32.79 | -547.58 | -96.72 | 9.67 |

II.5 Restated Statement of Employee Benefits Expenses

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|-------------------------------------|-------------------------------------|
| Salaries, Wages and Bonus | 302.51 | 789.36 | 969.00 | 690.25 |
| Salary to Directors/partners | 45.10 | 66.18 | 115.00 | 126.00 |
| Gratuity Expenses | 7.37 | 4.40 | 6.80 | 4.75 |
| Earned Leave | 0.28 | -0.50 | 0.71 | 0.88 |
| Staff Welfare Expenses | 4.47 | 9.71 | 13.21 | 28.38 |
| Contribution to Employee provident and other funds | 21.82 | 42.77 | 49.66 | 44.74 |
| Total | 381.55 | 911.92 | 1,154.39 | 895.00 |

II.6 Restated Statement of Finance Costs

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|-------------------------------------|-------------------------------------|
| (a) Interest Expenses | 75.12 | 213.28 | 236.12 | 157.93 |
| (i) Interest to Banks | | | | |
| on Working Capital Loans and Allied Facilities | 47.14 | 113.98 | 109.23 | 53.88 |
| on Term Loans | 18.57 | 61.24 | 125.01 | 103.53 |
| (ii) Interest to Others | 9.41 | 38.06 | 1.88 | 0.52 |
| | | | | |
| (b) Other Finance costs | 6.59 | 17.22 | 9.32 | 8.60 |
| | | | | |
| Total | 81.71 | 230.50 | 245.44 | 166.53 |

II.7 Restated Statement of Depreciation and Amortisation Expenses

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|---|---|-------------------------------------|-------------------------------------|
| Depreciation on Property, Plant & Equipment | 40.88 | 120.49 | 142.98 | 120.36 |
| Amortisation of Intangible Assets | 0.11 | 0.32 | 0.35 | 0.43 |
| Total | 40.99 | 120.81 | 143.33 | 120.79 |

II.8 Restated Statement of Other Expenses

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|---|---|-------------------------------------|-------------------------------------|
| Audit Fees | 1.00 | 1.00 | 1.20 | 1.20 |
| Commission | 23.29 | 19.47 | 91.28 | 88.66 |
| Communication Expenses | 4.61 | 4.33 | 4.20 | 3.56 |
| Consultancy charges | 6.56 | 2.39 | 3.73 | 3.89 |
| Consumables | 11.78 | 43.66 | 69.42 | 84.03 |
| Electricity Expenses | 47.19 | 177.62 | 198.47 | 165.27 |
| Freight and carriage outward | 1.46 | 1.05 | 2.53 | 7.09 |
| Insurance | 4.76 | 7.27 | 8.26 | 8.32 |
| Lab expenses | 14.33 | 24.74 | 4.87 | 7.42 |
| Miscellaneous Expenses | 2.32 | 13.72 | 7.81 | 7.23 |
| Office & Administration expenses | 1.76 | 0.80 | 1.67 | 0.90 |
| Printing & Stationery | 2.69 | 8.50 | 7.63 | 2.68 |
| Rate fees & taxes | 2.98 | 14.17 | 12.91 | 6.69 |
| Rent | 18.48 | 40.05 | 56.69 | 49.87 |
| Repair & Maintenance | 33.75 | 15.06 | 27.01 | 81.97 |
| Sale Promotion Expenses | 8.30 | 9.47 | 7.64 | 11.05 |
| Security House keeping | 3.32 | 9.65 | 10.46 | 10.28 |
| Travelling & conveyance | 13.54 | 44.98 | 82.94 | 68.01 |
| Vehicle running and maintenance expenses | 1.37 | 2.24 | 9.45 | 4.01 |
| | | | | |
| Total | 203.50 | 440.17 | 608.18 | 612.14 |

Payments to the auditors comprises:

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|----------------------|---|---|-------------------------------------|-------------------------------------|
| For statutory audit | 1.00 | 1.00 | 1.20 | 1.20 |
| For taxation matters | - | - | - | - |
| For Other matters | - | - | - | - |
| Total | 1.00 | 1.00 | 1.20 | 1.20 |

II.9 Restated Statement of Earning Per Share

(A) Reconciliation of Basic and Diluted Shares used in computing Earning Per Share

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|-------------------------------------|-------------------------------------|
| Basic earnings per equity share - weighted average number of equity shares outstanding (Nos) – Opening | 60,00,000.00 | 34,16,000.00 | 34,16,000.00 | 34,16,000.00 |
| Add: Shares Issued during the year | 1,56,487.00 | 25,84,000.00* | - | - |
| Weighted average number of equity shares outstanding (Nos) for Basic earnings per equity share | 61,56,487.00 | 60,00,000.00 | 34,16,000.00 | 34,16,000.00 |
| Add/(Less): Effect of dilutive shares (Nos) | - | - | - | - |
| Weighted average number of equity shares outstanding (Nos) for Diluted earnings per equity share | 61,56,487.00 | 60,00,000.00 | 34,16,000.00 | 34,16,000.00 |

*The share issued during the year are assumed to be issued on the first day of the year.

(B) Computation of basic and diluted earning per share

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|---|--|-------------------------------------|-------------------------------------|
| Basic earning per share | | | | |
| Profit after tax | 579.92 | 341.30 | 243.04 | 122.76 |
| Weighted average number of shares (For Basic EPS) | 61,56,487.00 | 60,00,000.00 | 34,16,000.00 | 34,16,000.00 |
| Basic EPS | 9.42 | 5.69 | 7.11 | 3.59 |
| Diluted earning per share | | | | |
| Profit after tax | 579.92 | 341.30 | 243.04 | 122.76 |
| Add/(less): Effect of dilution on profit | - | - | - | - |
| Revised profit after tax | 579.92 | 341.30 | 243.04 | 122.76 |
| Weighted average number of shares (For Diluted EPS) | 61,56,487.00 | 60,00,000.00 | 34,16,000.00 | 34,16,000.00 |
| Diluted EPS | 9.42 | 5.69 | 7.11 | 3.59 |

* The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earnings per share of the company remain the same.

Annexure V Statement of Restatement Adjustments to Audited Financial Statements
(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

PART-A

V.1 Reconciliation between audited profit and restated profit

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|--|---|-------------------------------------|-------------------------------------|
| A. Profit after tax (as per audited financial statements) | 579.92 | 258.68 | 167.04 | 90.10 |
| B. Add/(Less) : Adjustments on account of - | | | | |
| 1. Provision of Leave Encashment | - | 2.00 | -0.71 | -0.88 |
| 2. Provision of Gratuity Estimates | - | 22.97 | -6.80 | -4.75 |
| 3. Deferred Tax | - | 162.50 | -59.48 | -25.30 |
| 4. Income tax | - | - | -32.87 | -13.92 |
| 5. Previous Year Income | - | -99.79 | 99.79 | - |
| 6. Depreciation | - | - | 77.95 | 78.03 |
| 7. Interest on tax | - | -5.06 | -1.88 | -0.52 |
| C. Restated profit after tax (A+B) | 579.92 | 341.30 | 243.04 | 122.76 |

V.2 Reconciliation of the Opening Balance of Surplus of Profit and Loss under Reserves and Surplus for the FY 2021-22

| Particulars | As on April 1, 2022 |
|--|------------------------|
| (A) Opening Balance of surplus | 335.66 |
| Add/(Less) : Adjustments on account of - | - |
| 1. Provision of Gratuity Estimates | (11.41) |
| 2. Provision of Leave Encashment | (0.42) |
| 3. Deferred Tax | (77.72) |
| 4. Income Tax | (28.36) |
| 5. Depreciation | 234.28 |
| Total Adjustments (B) | 116.37 |
| Restated Opening Balance of surplus (A+B) | 452.03 |

Part B Material Regrouping

Appropriate regroupings have been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss and Restated Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per AS financial information of the Company for the period ended March 31, 2022 prepared in accordance with Schedule III of Companies Act, 2013 and other applicable AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2018, as amended.

1) Adjustment of Gratuity Expenses

The firm had not accounted gratuity, however during the restatement, now it has complied with the requirement of AS — 15 (Revised) "Employee Benefits" and accordingly booked Gratuity expenses basis of actuarial valuation report.

2) Adjustment on account of Provision of Deferred Tax Assets

Due to Difference of WDV of Fixed Assets as per Companies Act. 2013 and Income Tax Act, 1961 during the period of restatement, The Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year ended at the rate of normal Tax rate applicable at the end of relevant year. For more details refer table of Reconciliation of Statement of Profit and loss as above.

3) Recalculation of Accumulated Depreciation:

During the restatement of accumulated depreciation has been reconsidered basis of the life given as per schedule II of the Companies Act, 2013 and the life as per Chartered Engineer Certificate and the accumulated depreciation accordingly has been charged to Restated Statement of Profit and Loss account of respective years

4) Accounting of Prior Period Expenses:

During the restatement of Expenses booking has been reconsidered basis of the year to which expenses is pertaining to and accordingly all prior period expenses has been charged to Restated Statement of Profit and Loss account of respective years. It also includes sundry balances written off, excess booking of expenses if any.

Part C Non Adjusting items

There are no non adjusting items.

Annexure VI Other Notes to the Restated Standalone Financial Statements

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

1. The figures of the previous year have been regrouped / recast wherever necessary so as to make them comparable with current year's figures. Figures have been rounded off to the nearest lakhs.
2. In the absence of necessary information in relation to the suppliers registered as Micro or Small enterprises under Micro, Small and Medium Enterprises (Development) Act, 2006, the company has not been able to identify such suppliers and the information required under the said Act could not be complied and disclosed.
3. In the opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated if realized in ordinary course of business. Provisions for known liabilities are made & not in excess of the amount reasonably necessary. Moreover Balances of Unsecured Loans, Receivables, Loans & Advances and Current Liabilities are subject to confirmation, reconciliation and adjustments, if any.
4. **Total value of all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption.**

| Particular | For the period 01.01.2024 to 31.03.2024 | | For the period 01.04.2023 to 31.12.2023 | | For the year ended 31.03.2023 | | For the year ended 31.03.2022 | |
|--|--|----------------|--|----------------|----------------------------------|----------------|-------------------------------|----------------|
| | Rs. | (%) | Rs. | (%) | Rs. | (%) | Rs. | (%) |
| A. Raw Materials and Components | | | | | | | | |
| (I) Imported | - | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% |
| (II) Indigenous | 2,151.12 | 100.00% | 6,562.10 | 100.00% | 8,059.45 | 100.00% | 7,683.92 | 100.00% |
| Total | 2,151.12 | 100.00% | 6,562.10 | 100.00% | 8,059.45 | 100.00% | 7,683.92 | 100.00% |

Annexure - VII : Restated Statement of Contingent Liabilities

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|-------------|---------------------|---------------------|---------------------|---------------------|
| | - | - | - | - |

ANNEXURE-VIII: RESTATED STANDALONE STATEMENT OF RELATED PARTY DISCLOSURES AS RESTATED

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

A. Names of related parties and nature of relationship:

| a) Key Management Personnel (KMP) | Name of Person | Date of appointment | Remarks |
|--|---------------------------|---------------------|---|
| Managing director | Uttamjit Singh Sabharwal | 01-Jan-24 | Director with effect from 1st Jan 2024 and previously partner in the firm |
| Whole time Director | Rajinder Kumar Raheja | 01-Jan-24 | Director with effect from 1st Jan 2024 and previously partner in the firm |
| Whole time Director / Chief Financial Officer | Amit Gupta | 01-Jan-24 | Director with effect from 1st Jan 2024 and previously partner in the firm |
| Whole time Director | Anil Anand | 01-Jan-24 | |
| Whole time Director | Satyan Anand | 01-Jan-24 | Director with effect from 1st Jan 2024 and previously partner in the firm |
| Director | Bharminder Kaur Sabharwal | 01-Jan-24 | Director with effect from 1st Jan 2024 and previously partner in the firm |
| Chief Financial Officer | Amit Gupta | 22-Mar-24 | |
| Company Secretary | Shweta | 01-Feb-24 | |
| b) Relatives of KMP | | | |
| | Uttamjit Singh HUF | | |
| | Simrat Sabharwal | | |
| | Anil Anand (HUF) | | |
| | Gurpreet Sabharwal | | |
| | Suresh Chand Gupta | | |
| | Meena Anand | | |
| | Swarn Gupta | | |
| | Raj Kumari Raheja | | |
| | Rashika Raheja | | |
| | Rishab Raheja | | Previously partner in the firm |
| | Kanika Khanna | | |
| c) Enterprise over which KMP and their relatives exercise significant influence | Sukhmani Print and Pack | | |

| | | | |
|--|----------------------|--|--|
| | Uniroyal Biotech | | |
| | Ekomp Print and Pack | | |

B. Transactions with related parties are as follows:

| Name | Nature of Relationship | Nature of Transaction | For the period Jan 01, 2024 to Mar 31, 2024 | For the period Apr 01, 2023 to Dec 31, 2023 | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 |
|--------------------------|------------------------|----------------------------|---|---|-----------------------------------|-----------------------------------|
| Uttamjit Singh Sabharwal | KMP | Salary | 16.40 | 24.66 | 40.25 | 18.90 |
| | | Loan taken | 30.50 | 454.97 | 10.00 | 15.00 |
| | | Interest on unsecured loan | 0.24 | 0.72 | | |
| | | Loan repayment | 30.50 | 25.00 | 25.00 | - |
| Uttamjit Singh HUF | Relative | Loan taken | - | 66.00 | - | - |
| | | Interest on unsecured loan | - | - | 0.86 | 0.95 |
| | | Salary | 15.00 | - | - | - |
| | | Loan repayment | 60.00 | 5.00 | - | - |
| Satyan Anand | KMP | Interest on unsecured loan | 0.49 | 1.49 | 1.79 | 1.79 |
| | | Salary | 1.40 | 21.66 | 40.25 | 44.10 |
| | | Loan repayment | - | - | - | - |
| | | Loan taken | - | 464.94 | - | - |
| Meena Anand | Relative | Interest on unsecured loan | 2.70 | 8.10 | 9.72 | 9.72 |
| | | Loan taken | - | - | - | 13.00 |
| | | Loan Repayment | - | - | 5.00 | 8.00 |
| Simrat Sabharwal | Relative | Interest on unsecured loan | - | - | - | 0.23 |
| | | Salary | 7.20 | 9.28 | 17.25 | 44.10 |
| | | Interest on unsecured loan | 0.45 | 1.35 | 2.26 | 2.20 |
| | | Loan taken | 24.20 | 190.87 | - | 18.80 |

| | | | | | | |
|---------------------------|----------|----------------------------|-------|--------|-------|-------|
| Rajinder Kumar Raheja | KMP | Loan Repayment | 24.20 | - | 18.80 | - |
| | | Salary | 6.60 | 10.57 | 17.25 | 18.90 |
| | | Loan taken | 24.20 | 183.79 | 3.00 | - |
| | | Loan Repayment | 24.20 | - | - | - |
| | | Interest on capital | - | - | - | - |
| Amit Gupta | KMP | Interest on unsecured loan | 0.09 | 0.27 | 0.12 | - |
| | | Interest on Unsecured loan | 1.50 | 4.50 | 5.52 | 5.60 |
| | | Salary | - | 4.20 | 7.20 | 5.25 |
| | | Loan taken | - | - | 3.00 | 5.00 |
| | | Loan repayment | - | - | 8.00 | 20.00 |
| Bharminder Kaur Sabharwal | KMP | Reimbursement of expenses | - | 1.20 | 1.80 | - |
| | | Interest on Unsecured loan | 1.19 | 3.58 | 4.30 | 4.22 |
| | | Loan taken | - | - | - | 6.00 |
| Rishabh Raheja | Relative | Salary | - | - | 2.10 | - |
| Anil Anand | Relative | Interest on Unsecured loan | 0.75 | - | 2.70 | 2.70 |
| | | Reimbursement of expenses | - | 1.35 | 1.80 | 1.80 |
| Gurpreet Sabharwal | Relative | Salary | 2.40 | 5.40 | 7.20 | 7.20 |
| | | Interest on Unsecured loan | 0.46 | 1.10 | 1.12 | 1.12 |
| Suresh Chand Gupta | Relative | Loan Taken | - | 5.00 | - | - |
| Swarn Gupta | Relative | Interest on Unsecured loan | 0.55 | 1.66 | 1.98 | 1.98 |
| Raj Kumari Raheja | Relative | Interest on Unsecured loan | 0.30 | 0.90 | 1.08 | 1.08 |
| | | Loan Taken | - | - | - | - |
| | | | - | - | - | - |
| Rashika Raheja | Relative | Salary | 3.60 | 4.20 | 4.75 | - |

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| | | | | | | |
|----------------------|--|----------------------------|--------|--------|--------|--------|
| | | Interest on Unsecured loan | 0.16 | 0.81 | 1.08 | 1.08 |
| | | Loan repayment | 8.00 | 2.00 | - | - |
| Kanika Khanna | Relative | Loan taken | - | - | - | - |
| CS Shweta | KMP | Salary | 0.40 | - | - | - |
| Sukhamni | Enterprise over which KMP and their relatives exercise significant influence | Sale | - | - | - | - |
| | | Purchase | - | 472.80 | 692.33 | 777.94 |
| Uniroyal | Enterprise over which KMP and their relatives exercise significant influence | Sale | - | 244.36 | 527.91 | 514.48 |
| | | Purchase | - | 357.07 | 184.53 | 4.05 |
| Ekomp Print and Pack | Enterprise over which KMP and their relatives exercise significant influence | Purchase | 182.13 | 431.81 | 276.89 | - |
| | | Sales | 11.47 | - | - | - |

C. Balances outstanding are as follows:

| Particulars | Nature of Relationship | Nature of Transaction | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---------------------------|------------------------|-----------------------|---|---|-------------------------------------|-------------------------------------|
| Uttamjit Singh Sabharwal | KMP | Loan outstanding | 387.25 | 387.67 | - | 15.00 |
| | | Interest outstanding | 0.16 | 0.16 | | |
| | | Salary outstanding | 9.00 | - | 0.70 | 3.00 |
| Uttamjit Singh HUF | Relative | Loan outstanding | - | - | 10.00 | 10.00 |
| | | Interest outstanding | - | - | 0.16 | 0.16 |
| Satyan Anand | KMP | Loan outstanding | 32.60 | 92.60 | 16.60 | 16.60 |
| | | Salary outstanding | 12.22 | | | |
| | | Interest outstanding | - | 0.15 | 0.15 | 0.15 |
| Meena Anand | Relative | Loan outstanding | 487.22 | 487.65 | 90.00 | 90.00 |
| | | Interest outstanding | 0.81 | 0.81 | 0.81 | 0.81 |
| | | Salary outstanding | - | - | 0.70 | 3.00 |
| Simrat Sabharwal | Relative | Loan outstanding | - | - | - | 5.00 |
| | | Interest outstanding | - | - | - | 0.02 |
| Rajinder Kumar Raheja | KMP | Loan outstanding | 176.92 | 177.03 | 15.00 | 33.80 |
| | | Interest outstanding | 0.18 | 0.18 | 0.18 | 0.32 |
| | | Salary outstanding | 5.01 | - | 0.30 | 1.29 |
| Amit Gupta | KMP | Loan outstanding | 157.84 | 157.95 | 3.00 | - |
| | | Salary outstanding | 5.21 | 0.03 | 0.30 | 1.29 |
| | | Interest outstanding | 0.03 | - | 0.03 | - |
| Bharminder Kaur Sabharwal | Relative | Loan outstanding | 50.00 | 50.00 | 50.00 | 55.00 |
| | | Interest outstanding | 0.47 | 0.47 | 0.50 | 0.47 |
| | | Salary outstanding | - | - | 1.52 | 2.55 |
| Rishabh Raheja | Relative | Loan outstanding | 39.80 | 39.80 | 39.80 | 39.80 |
| | | Interest outstanding | - | 0.41 | 0.41 | 0.49 |
| Anil Anand (HUF) | Relative | Loan outstanding | - | - | 41.00 | 41.00 |
| | | Interest outstanding | - | - | 0.90 | 0.90 |
| Gurpreet Sabharwal | Relative | Loan outstanding | 4.00 | 4.00 | 4.00 | 4.00 |

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| | | | | | | |
|-------------------------|--|----------------------|-------|-------|--------|--------|
| | | Salary outstanding | 0.39 | 0.81 | 0.60 | 0.75 |
| Suresh Chand Gupta | Relative | Loan outstanding | 15.40 | 15.40 | 10.40 | 10.40 |
| | | Interest outstanding | - | 0.14 | 0.09 | 0.09 |
| Swarn Gupta | Relative | Loan outstanding | 18.40 | 18.40 | 18.40 | 18.40 |
| | | Interest outstanding | 0.16 | 0.17 | 0.17 | 0.17 |
| Anil Anand | KMP | Loan outstanding | - | - | - | - |
| | | Interest outstanding | 0.90 | 0.90 | - | - |
| Raj Kumari Raheja | Relative | Loan outstanding | 10.00 | 10.00 | 10.00 | 10.00 |
| | | Interest outstanding | 0.09 | 0.09 | 0.09 | 0.09 |
| | | Salary outstanding | - | - | - | - |
| Rashika Raheja | Relative | Loan outstanding | 17.00 | 17.00 | 17.00 | 17.00 |
| | | Interest outstanding | 0.26 | 0.26 | 0.26 | 0.15 |
| | | Salary outstanding | 0.37 | - | 0.60 | - |
| | | Salary Advance | - | 1.20 | - | - |
| Kanika Khanna | Relative | Loan outstanding | - | 8.00 | 10.00 | 10.00 |
| | | Interest outstanding | - | 0.07 | 0.09 | 0.09 |
| Uniroyal | Enterprise over which KMP and their relatives exercise significant influence | Balance Receivable | - | - | 164.04 | 141.28 |
| | | | | | | |
| Sukhmani Print and Pack | Enterprise over which KMP and their relatives exercise significant influence | Balance outstanding | - | - | 143.18 | 214.53 |
| | | | | | | |

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| | | | | | | |
|---------------------|--|---------------------|---|---|--------|---|
| Ekom Print and Pack | Enterprise over which KMP and their relatives exercise significant influence | Balance outstanding | - | - | 141.37 | - |
|---------------------|--|---------------------|---|---|--------|---|

Annexure - IX: Restated Standalone Statement of Significant Accounting Ratios

| Particulars | For the year ended 31 March, 2024 | For the year ended 31 December, 2023 | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 |
|----------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|-----------------------------------|
| Current Ratio | 1.01 | 0.94 | 1.03 | 1.04 |
| Debt-Equity Ratio, | 0.24 | 0.74 | 0.30 | 0.64 |
| Debt Service Coverage Ratio | 4.47 | 3.00 | 2.57 | 2.46 |
| Return on Equity Ratio | 0.65 | 0.38 | 0.23 | 0.14 |
| Inventory turnover ratio | 4.82 | 3.52 | 6.65 | 10.20 |
| Trade Receivables turnover ratio | 2.89 | 2.17 | 3.28 | 3.77 |
| Trade payables turnover ratio | 2.57 | 1.89 | 2.87 | 3.31 |
| Net capital turnover ratio | 7.13 | 13.77 | 8.94 | 10.22 |
| Net profit ratio | 0.08 | 0.04 | 0.02 | 0.01 |
| Return on Capital employed | 0.59 | 0.45 | 0.29 | 0.17 |
| EBITDA Margin | 0.15 | 0.11 | 0.07 | 0.05 |
| NAV per share | 22.29 | 10.00 | 34.47 | 27.65 |
| Return on Investment | 0.08 | 0.04 | 0.03 | 0.02 |

Methodology:

1. Current Ratio = Current Asset / Current Liability
2. Debt-Equity Ratio = Total Debt / Total Equity
3. Debt Service Coverage Ratio = EBITDA / (Finance Cost+Principal Repayment)
4. Return on Equity Ratio = Profit After Tax / Shareholders Funds
5. Inventory Turnover Ratio = Sale / Average Inventory
6. Trade Receivable Turnover Ratio = Revenue from Operations / Average Trade Receivable
7. Trade Payable Turnover Ratio = Purchase / Average Trade Payable
8. Net Capital Turnover Ratio = Revenue from Operations / Share holders Funds
9. Net Profit Ratio = Profit After Tax / Revenue
10. Return on Capital Employed= Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income (-) Exception Income/ Capital Employed
11. EBITDA Margin = Earnings before interest and Depreciation/ Sales
12. NAV per share= Net worth/ No. of shares outstanding
13. Return on investment= Profit after tax/ Total Assets

ANNEXURE - X: RESTATED STATEMENT OF CAPITALISATION**(All amounts in Indian Rupees in Lakhs, unless otherwise stated)**

| Particulars | Pre-Issue 31 March 2024 | Post Issue |
|--|------------------------------------|-------------------|
| Debt | | |
| Short Term Debt | 3,349.39 | [•] |
| Long Term Debt | 903.69 | [•] |
| Total Debt | 4,253.08 | [•] |
| Shareholders' Fund (Equity) | | |
| Share Capital | 600.00 | [•] |
| Reserves & Surplus | 0.00 | [•] |
| Total Shareholders' Fund (Equity) | 600.00 | [•] |
| Long Term Debt/Equity | 1.51 | [•] |
| Total Debt/Equity | 7.09 | [•] |

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months
2. Long term Debts represent debts other than Short term Debts as defined above
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31 March 2024.

Annexure XI - Notes to restated financial statements
(All amounts in Indian Rupee In Lakhs, unless other is stated)

Employee benefit Plan

(A) Defined benefit Plan

The defined benefit plan operated by the Company is as below:

Retiring gratuity

The Company 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 equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company does not make any contributions to gratuity funds and the plan is unfunded. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

The defined benefit plans expose the Company to a number of actuarial risks as below:

(a) Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.

(b) Interest risk:

A decrease in the bond interstate (discount rate) will increase the plan liability.

(c) Mortality risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-14) ultimate table.

(d) Salary risk:

The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The following table sets out the amounts recognised in the financial statements in respect of retiring gratuity plan:

(i) Change in Defined Benefit Obligation (DBO)

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|---|---|-------------------------------------|-------------------------------------|
| Present value of DBO at the beginning of the year | 27.36 | 22.97 | 16.16 | 11.41 |
| Current service cost | 1.96 | 4.29 | 5.28 | 4.14 |
| Interest cost | 0.50 | 1.29 | 1.21 | 0.82 |
| Actuarial (gain) / loss | 4.92 | -1.19 | 0.31 | -0.21 |
| Benefits paid | - | - | - | - |
| Present value of DBO at the end of the year | 34.73 | 27.36 | 22.97 | 16.16 |

(ii) Amounts recognised in the Balance Sheet

| Particulars | As at 31.03.2024 | As at 31.12.2023 | As at 31.03.2023 | As at 31.03.2022 |
|---|---------------------|---------------------|---------------------|---------------------|
| Present value of DBO at the end of the year | 34.73 | 27.36 | 22.97 | 16.16 |

| | | | | |
|--|--------------|--------------|--------------|--------------|
| Fair value of plan assets at the end of the year | - | - | - | - |
| Net Liability recognised in the Balance Sheet | 34.73 | 27.36 | 22.97 | 16.16 |

(iii) Components of employer expense

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|-------------------------------------|-------------------------------------|
| Current service cost | 1.96 | 4.29 | 5.28 | 4.14 |
| Interest cost | 0.50 | 1.29 | 1.21 | 0.82 |
| Actuarial (gain) / loss | 4.92 | -1.19 | 0.31 | -0.21 |
| Expense recognised in Statement of Profit and Loss | 7.37 | 4.40 | 6.80 | 4.75 |

(iv) Assumptions

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|-------------------------------|---|---|-------------------------------------|-------------------------------------|
| Discount Rate | 0.07 | 0.08 | 0.08 | 0.07 |
| Salary Increase Rate | 0.06 | 0.07 | 0.07 | 0.06 |
| Rate of Return on Plan Assets | NA | NA | NA | NA |
| Mortality Table | Indian Assured Lives Mortality (2012-14) Ult. | | | |
| Retirement Age | 58 Years of Age | | | |
| Withdrawal rates | 10% per Annum | | | |

(B) Defined Contribution Plan

Provident fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the employee provident fund organization (EPFO).

(C) Others

Leave Encashment

The Obligation for leave encashment is provided for and paid on yearly basis the recognised amount is as follows:

| Particulars | For the period 01.01.2024 to 31.03.2024 | For the period 01.04.2023 to 31.12.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|----------------------------|---|---|-------------------------------------|-------------------------------------|
| Opening | 1.51 | 2.00 | 1.29 | 0.42 |
| Recognised During the year | 0.28 | -0.50 | 0.71 | 0.88 |
| Paid During the year | - | - | - | - |
| Closing | 1.79 | 1.51 | 2.00 | 1.29 |

OTHER FINANCIAL INFORMATION

Accounting ratios derived from the Restated Financial Information

The accounting ratios derived from Restated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below. The table below should be read in conjunction with the sections titled “Risk Factors”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, on pages [..], [..], and [..], respectively:

(Amount in Rs.)

| Particulars | For the Year ended March 31, 2024* | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
|--|------------------------------------|-----------------------------------|-----------------------------------|
| Earnings per share (Basic and Diluted) ¹ | 14.96 | 7.11 | 3.59 |
| Adjusted Earnings per share (Basic and Diluted) ² | 8.31 | 3.95 | 1.99 |
| Return on Net worth (%) ³ | 55.67 | 20.64 | 13.00 |
| Net Asset Value per Equity Share ⁴ | 22.29 | 34.47 | 27.65 |
| Adjusted Net Asset Value per Equity Share ⁵ | 12.38 | 19.15 | 15.36 |
| EBITDA (₹ in Lakhs) ⁶ | 1723.25 | 766.44 | 477.67 |

*Combined ratios/ figures from April 01, 2023 to December 31, 2023 and January 1, 2024 to March 31, 2024.

Notes:

- Earnings per share (Basic and Diluted) = Basic earnings per share are calculated by dividing the net restated profit for the period / year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year and Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the net restated profit for the period / year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential Equity Shares during the year.
- Adjusted Earnings per share (Basic and Diluted): Earning per share is calculated as PAT divided by weighted No. of equity shares, after considering the Impact of bonus issue on 9th July, 2024, pursuant to Accounting Standard 20 “Earnings Per Share” issued by ICAI and for presenting comparable figures.
- Return on net worth is calculated as restated profit for the period / year divided by total shareholder's fund.
- Net asset value per equity share is calculated as total shareholder's fund divided by weighted average number of equity shares.
- Adjusted Net asset value per equity share is calculated as total shareholder's fund divided by weighted average number of equity shares after considering impact of Bonus.
- EBITDA is calculated as profit for the period/year minus other income plus finance costs, depreciation and amortization, total income tax expenses.

For further details on other financial information please refer to Annexures under the chapter titled “Financial Information” beginning from page [..] of this Draft Red Hearing Prospectus.

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 and reports thereon do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus.

The Audited Standalone Financial Statements and reports thereon 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.

Note for Non-applicability of Performa Financial Statements: Since, our company has not made any acquisitions or divestment, including deemed disposals, after the latest period for which financial information is disclosed in the offer document but before the date of filing of the offer document, thus the requirement of providing the performa financials is not applicable on the company.

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MANAGEMENTS' DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period ended March 31, 2024 and December 31, 2023 and for the financial year ended March 31, 2023 and March 31, 2022. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Information" on page [.] of the Draft Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page [.] of this Draft Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page [.] of this Draft Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Amster Labs Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for the Financial Year ended March 2024, March 2023 & March 2022 included in this Draft Red Herring Prospectus beginning on page [.]

BUSINESS OVERVIEW

Amster Labs Limited is a closely held Public Limited Company. Originally, it was established as partnership firm on September 17, 2014 and subsequently converted into Public Limited Company "Amster Labs Limited" on January 01, 2024, pursuant to Part I of Chapter XXI of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U21001CH2024PLC045445. The Company is having its registered office at SCO 166-167, Level 1, Sector 9C, Madhya Marg, Sector 9, Chandigarh-160009.

The Company is engaged in the business of formulating, processing, distributing pharmaceutical products and contract manufacturing for more than 400 companies.

We are an ISO 9001:2015 certified Indian pharmaceuticals company engaged in pharmaceutical formulations contract manufacturing organization ("CMO") and is in compliance with regulations of the Indian Pharmaceutical Association and International Standards

We operate two manufacturing facilities in Baddi, Himachal Pradesh

Unit I - For Soft Gel Products : located at Saraj Majra Gujjaran, Near Toll Plaza, Baddi, on leased land admeasuring 800 sq mtr. spread into basement plus three floors. The lease period is six years. The manufacturing facility has been spread over an area of 1486 sq.mtr.

Unit II, For Pharma Formulation Products: The unit is located at Hilltop Industrial Estate, village Bhatauli Kalan, Tehsil Baddi. The land admeasuring 3400 sq mtr is owned by Amster where facility is spread over an area of 7500 sq. mtr, spread into basement and three floors, having separate blocks for General medicines and beta lactum medicines. The unit is in conformity to World Health Organisation (WHO).

Both, our facilities have Good Manufacturing Practices (GMP) certification from the Health and Family Welfare Department, Himachal Pradesh.

Our facilities are designed, equipped and operated to deliver quality products within defined cost and delivery schedules.

For detailed information please refer chapter titled “Our Business” on [•] of the Draft Red Herring Prospectus

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

As per mutual discussion between the Board of the Company and Lead Manager, in the opinion of the Board of directors of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the Draft Red Herring Prospectus and which materially and adversely affect or is likely to affect our business, financial condition, results of operations and price of our Equity Shares within the next twelve months except as follows:

- The company increased its’s Authorised equity share capital from Rs. 7,50,00,000 to Rs. 25,00,00,000 vide resolution passed in its members meeting dated May 01, 2024.
- The company increased its’s paid-up equity share capital by way of following methods:

| S. No. | Date of Allotment | No. of Equity Shares allotted | Face value (Rs.) | Issue Price (Rs.) | Nature of consideration | Nature of Allotment | Cumulative number of Equity Shares | Cumulative Paid-up Capital (Rs.) |
|--------|-------------------|-------------------------------|------------------|-------------------|-------------------------|-----------------------------------|------------------------------------|----------------------------------|
| 1 | 14.05.2024 | 260756 | 10 | 33.33 | Cash | Rights Issue | 7685886 | 76858860 |
| 2 | 19.06.2024 | 167176 | 10 | 33.33 | Cash | Rights Issue | 7853062 | 78530620 |
| 3 | 05.07.2024 | 390077 | 10 | 33.33 | Cash | Rights Issue | 8243139 | 82431390 |
| 4 | 09.07.2024 | 6594464 | 10 | N.A. | Other than cash | Bonus Issue (in the ratio of 4:5) | 14837603 | 148376030 |

- The shareholders of our Company have approved and passed resolution on September 10, 2024 to authorize the Board of Directors to raise the funds by way of Initial Public Offering.
- The shareholders of our Company have approved the appointment of Mr. Govind Shanker Pandey, Mr. Rahul Malhotra and Mr. Shitij Sharma, as Independent Directors in the Extra Ordinary General Meeting held on July 09, 2024.
- The Board of Directors of the Company have approved the appointment of Ms. Bharminder Kaur Sabharwal as Chairman of the Company held on July 09, 2024.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factor” beginning on page [.] of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.

- Company's results of operations and financial performance;
- Performance of Company's competitors;
- Significant developments in India's economic and fiscal policies;
- Volatility in the Indian and global capital market;
- Pricing pressures from the competitive business environment;
- Changes in political and social conditions in India;
- Inflation, deflation, unanticipated turbulence in interest rates;
- Fluctuations in operating costs may results volatility in Company's results of operations and financial performance;
- Our ability to meet our capital expenditure requirements and/or our failure to keep pace with rapid changes in technology;
- Our dependence on our key personnel, including our directors and senior management;
- Our ability to successfully implement our business strategy and plans;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control.

DISCUSSION ON RESULT OF OPERATION

(Rs. in Lakhs)

| Particulars | For the year ended 31 March, 2024 | %age of Total Income | For the year ended 31 March, 2023 | %age of Total Income | For the year ended 31 March, 2022 | %age of Total Income |
|---|-----------------------------------|----------------------|-----------------------------------|----------------------|-----------------------------------|----------------------|
| Income | | | | | | |
| Revenue from Operations | 11794.58 | 99.78 | 10526.21 | 99.98 | 9649.39 | 99.51 |
| Other Income | 26.19 | 0.22 | 2.34 | 0.02 | 47.92 | 0.49 |
| Total Income | 11820.77 | 100.00 | 10528.55 | 100.00 | 9697.31 | 100.00 |
| Expenditure | | | | | | |
| Cost of Material Consumed | 8740.76 | 73.94 | 8096.26 | 76.90 | 7702.84 | 79.43 |
| Purchases of Stock-in-Trade | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Changes in Inventories of Finished Goods, work in Progress and Stock in Trade | (580.38) | (4.91) | (96.72) | (0.92) | 9.67 | 0.10 |
| Employee benefits expenses | 1293.47 | 10.94 | 1154.39 | 10.96 | 895.00 | 9.23 |
| Other expenses | 643.67 | 5.45 | 608.18 | 5.78 | 612.14 | 6.31 |
| Total expenses | 10097.52 | 85.42 | 9762.11 | 92.72 | 9219.64 | 95.07 |
| Profit Before Interest, Depreciation and Tax | 1723.25 | 14.58 | 766.44 | 7.28 | 477.67 | 4.93 |
| Depreciation & Amortization Expenses | 161.80 | 1.37 | 143.33 | 1.36 | 120.79 | 1.25 |
| Profit Before Interest and Tax | 1561.45 | 13.21 | 623.12 | 5.92 | 356.87 | 3.68 |
| Finance Cost | 312.21 | 2.64 | 245.44 | 2.33 | 166.53 | 1.72 |
| Profit before Taxation | 1249.24 | 10.57 | 377.67 | 3.59 | 190.34 | 1.96 |
| Current Tax | 383.70 | 3.25 | 75.15 | 0.71 | 42.28 | 0.44 |
| Deferred Tax | -55.68 | -0.47 | 59.48 | 0.56 | 25.30 | 0.26 |
| Total tax expense | 328.01 | 2.77 | 134.63 | 1.28 | 67.58 | 0.70 |

| | | | | | | |
|---|---------------|-------------|---------------|-------------|---------------|-------------|
| Profit After Tax but Before Extra-ordinary Items | 921.23 | 7.79 | 243.04 | 2.31 | 122.76 | 1.27 |
| Extraordinary Items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Profit after adjustments | 921.23 | 4.91 | 243.04 | 2.31 | 122.76 | 1.27 |
| Net Profit Transferred to Balance Sheet | 921.23 | 4.91 | 243.04 | 2.31 | 122.76 | 1.27 |

**Combined Ratios and figure from April 01, 2023 to December 31, 2023 and January 1, 2024 to March 31, 2024

Sales mix and the geographical presence

The following table sets forth certain information on the relative sales contribution of our product categories in the respective periods:

(Rs. in Lakhs)

| Product | For the Financial Year ended 31 st March, 2024 | | For the Financial Year ended 31 st March, 2023 | | For the Financial Year ended 31 st March, 2022 | |
|--------------|---|----------------|---|----------------|---|----------------|
| | Amt | (%) | Amt | (%) | Amt | (%) |
| Tablets | 3302.48 | 28% | 2842.08 | 27% | 2412.35 | 25% |
| Capsules | 1061.51 | 9% | 1052.62 | 10% | 964.94 | 10% |
| Injections | 2830.70 | 24% | 2526.29 | 24% | 2412.35 | 25% |
| Syrups | 589.73 | 5% | 421.05 | 4% | 482.74 | 5% |
| Other | 4010.16 | 34% | 3684.17 | 35% | 3377.29 | 35% |
| Total | 11794.58 | 100.00% | 10526.21 | 100.00% | 9649.39 | 100.00% |

Details regarding geographical revenue are provided below:

(Rs. in Lakhs)

| Particulars | For the period ended March 31, 2024 | For the period ended March 31, 2023 | For the period ended March 31, 2022 |
|-----------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Domestic Sales | 11,766.56 | 10,426.42 | 9,649.39 |
| Export Sales | 28.02 | 99.79 | - |
| Total | 11,794.58 | 10,526.21 | 9,649.39 |

The following table summarizes the revenue proportion of our top customers for the respective year:

(Rs. in Lakhs)

| Particulars | For the period January-March 31, 2024 | | For the period ended December 31, 2023 | | For the period ended March 31, 2023 | | For the period ended March 31, 2022 | |
|----------------------|---------------------------------------|-------|--|-------|-------------------------------------|-------|-------------------------------------|-------|
| | Amt | (%) | Amt | (%) | Amt | (%) | Amt | (%) |
| Top 1 Customers (%) | 740.83 | 20.98 | 652.79 | 7.90 | 4460.87 | 12.52 | 2269.10 | 19.22 |
| Top 5 Customers (%) | 1349.83 | 38.22 | 1833.16 | 22.18 | 17014.27 | 47.74 | 7594.65 | 64.33 |
| Top 10 Customers (%) | 1690.31 | 47.86 | 2843.68 | 34.42 | 25616.36 | 71.87 | 9603.71 | 81.35 |

Our Significant Accounting Policies

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “*Financial Statements*” beginning on page [.] of the Draft Red Herring Prospectus.

Overview of Revenue & Expenditure

The following discussion on results of operations should be read in conjunction with the Restated Financial statements for the period ended March 31, 2024 and December 31, 2023 and for the financial year ended March 31, 2023 and March 31, 2022. Our revenue and expenses are reported in the following manner:

Revenues

Total Income: Our total income comprises of Revenue from Operations and other income.

Revenue from operations: Our revenue from operations comprises of Sale of Pharmaceutical Products.

Other Income: Our other income comprises of Interest Income from Bank, Subsidy and Other Miscellaneous Incomes.

Expenditure

Expenses: Our expenses comprise of Cost of Materials consumed, Change in Inventories of Finished Goods and Work in progress, Employee Benefit Expenses, Finance Cost, Depreciation and Amortisation Expenses and Other Expenses.

Cost of Materials consumed: Our Cost of Materials consumed comprises of purchase of raw material, Direct expenses, Opening stock and closing stock of raw-material, packing material and trading materials.

Changes in Inventories: Our Changes in Inventories comprises of change in Stock of Finished goods and WIP from the beginning of the year to the end of the year.

Employee Benefit Expenses: Our employee benefit expense consists of Salaries & Wages, Director Remuneration, Contribution to ESI & PF, Gratuity Expenses & Employees Welfare Expenses.

Finance Cost: Our finance costs comprise of Interest Expenses and Other Financial Charges.

Depreciation and amortisation expenses: Tangible assets are depreciated over periods corresponding to their estimated useful lives. Depreciation includes depreciation charged on plant, property & Equipments & Intangible Assets.

Other expenses: Other expenses includes Auditors fees, Commission, Communication Expenses, Consultancy charges, Consumables, Electricity Expenses, Freight and carriage outward, Insurance, Lab expenses, Miscellaneous Expenses, Office & Administration expenses, Printing & Stationery, Rate fees & taxes, Rent, Repair & Maintenance, Sale Promotion Expenses, Security House keeping, Travelling & conveyance, Vehicle running and maintenance expenses

COMPARISON OF FY 2023-24 WITH FY 2022-23 (BASED ON RESTATED FINANCIAL STATEMENTS)**Revenues***Total Income*

Total Income for the Financial Year 2023-24, it stood at Rs. 11,820.77 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 10,528.55 Lakhs representing an increase of 12.27%. There is increase in income as compare to the last financial year due to the factors described below:

Revenue from operations

Net revenue from operations for the Financial Year 2023-24 stood at Rs. 11,794.58 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs.10,526.21 Lakhs representing an increase of 12.05%. Company has increased its revenue from the last year primarily due to expansion in technology driven revenue and increase in customer base, expansion of its capacities, all resulted in higher incremental revenue.

Other Income

Other Income for the Financial Year 2023-24 stood at Rs.26.19 Lakhs. Whereas for the Financial Year 2022- 23, it stood at Rs. 2.34 Lakhs representing an Increase of Rs. 23.85 Lakhs, primarily due to the write-off of waived or undue sundry creditors.

Expenditure*Expenses*

Our total expenses excluding finance cost, depreciation and tax expenses is ₹10,097.52 Lakhs for the financial year 2023-24 as compared to ₹9,762.11 Lakhs for the financial year 2022-23 representing an increase of 3.44%. Overall expenditure increased marginally due as compared to the previous year, the factors described below: -

Cost of Material Consumed

Our *Cost of Materials Consumed* is ₹ 8,740.75 Lakhs for the financial year 2023-24 as compared to ₹8,096.26 Lakhs for the financial year 2022-23 representing an increase of 7.96%. As the company expending its business and the company is in growth stage cost of goods sold likely increased simultaneously of the revenue.

Changes in Inventories

Our changes in inventories is ₹ (580.37) Lakhs for the financial year 2023-24 as compared to ₹ (96.72) Lakhs for the financial year 2022-23. This was primarily due to higher level of closing inventories of work in progress and finished goods at end of financial year 2023-2024 compared to financial year 2022-2023, Since, the company acquired two entities during the year, inventory levels have been maintained accordingly.

Employee Benefits Expenses

Our employee benefit expenses are ₹1293.47 Lakhs for the financial year 2023-24 as compared to ₹1154.39 Lakhs for the financial year 2022-23 representing an increase of 12.05% due to increase in Salaries & Wages, increase in statutory employee benefits like Provident fund and Gratuity. Increase in salaries & wages was mainly on account of annual increment of the employees.

Finance Costs

Our finance cost is ₹312.21 Lakhs for the financial year 2023-24 as compared to ₹245.44 Lakhs for the financial year 2022-23 representing an increase of 27.20% on account of increase in other finance cost. The increase in our finance costs was primarily due to the acquisition and enhancement of new term loans and cash credit facilities.

Depreciation and Amortization Expense

Our depreciation and amortization expense is ₹161.80 Lakhs for the financial year 2023-24 as compared to ₹143.33 Lakhs for the financial year 2022-23, which is calculated for the period and values, as per the utilization of assets for the Company's business.

Other expenses

Our other expenses is ₹643.67 Lakhs for the financial year 2023-24 as compared to ₹608.18 Lakhs for the financial year 2022-23 representing an increase of 5.84% due to increase in Electricity Expenses, Insurance, Lab expenses, Repair & Maintenance, Sale Promotion Expenses and other related expenditures. These costs are directly connected to the increase in revenue, consumables, employee expenses, and overall growth.

Profit before Tax

The profit before tax is ₹1249.24 Lakhs for the financial year 2023-24 as compared to ₹377.67 Lakhs for the financial year 2022-23 representing an increase of 230.78%, which is mainly due to increase in sales volume, better utilization of the resources on the account of quality control of raw material and increasing production efficiency and ensured high quality of raw material going into production process.

Profit after Tax

The profit after tax is ₹921.23 Lakhs for the financial year 2023-24 as compared to ₹243.04 Lakhs for the financial year 2022-23 representing an increase of 279.04%, This is primarily due to the growth in business scale and the tax benefits associated with the lower corporate tax rates compared to the previous partnership structure.

COMPARISON OF FY 2022-23 WITH FY 2021-22 (BASED ON RESTATED FINANCIAL STATEMENTS)**Revenues*****Total Income***

Total Income for the Financial Year 2022-23, it stood at Rs. 10,528.55 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 9,697.31 Lakhs representing an increase of 8.57%. There is increase in income as compare to the last financial year due to the factors described below:

Revenue from operations

Net revenue from operations For the Financial Year 2022-23 stood at Rs. 10,526.21 Lakhs. Whereas for the Financial Year 2021-22, it stood at Rs. 9,649.39 Lakhs representing an increase of 9.09%. Company has increased its revenue from the last year primarily due to expansion in technology driven revenue and increase in customer base, expansion of its capacities, all resulted in higher incremental revenue.

Other Income

Other Income for the Financial Year 2022- 23, it stood at Rs. 2.34 Lakhs. Whereas for the Financial Year 2021- 22, it stood at Rs.47.92 Lakhs representing a decrease of Rs. 45.58 Lakhs, primarily due to the refund of taxes and Interest on Fixed Deposits.

Expenditure***Expenses***

Our total expenses excluding finance cost, depreciation and tax expenses is ₹9,762.11 Lakhs for the financial year 2022-23 as compared to ₹9,219.65 Lakhs for the financial year 2021-22 representing an increase of 5.88% due to the factors described below: -

Cost of Material Consumed

Our Cost of Materials Consumed is ₹8,096.26 Lakhs for the financial year 2022-23 as compared to ₹7,702.84 Lakhs for the financial year 2021-22 representing an increase of 5.11%, which is below the corresponding to the increase in Revenue from operations, which is 9.09% in the same period. It's primarily due to usage of certified Quality Management Systems and increasing production efficiency and ensured high quality of raw material going into production process and better control exercised by the Company Management.

Changes in Inventories

Our changes in inventories is ₹ (96.72) Lakhs for the financial year 2022-23 as compared to ₹ 9.67 Lakhs for the financial year 2021-22. This was primarily due to higher level of closing inventories of work in progress and finished goods at end of financial year 2022-23 compared to financial year 2021-22, considering the increased sales demand and aiming to eliminate delays in delivering to clients.

Employee Benefits Expenses

Our employee benefit expenses are ₹1154.39 Lakhs for the financial year 2022-23 as compared to ₹895.00 Lakhs for the financial year 2021-22 representing an increase of 28.98%. This increase was primarily due to an increment in salary of employees/workers, increase in statutory employee benefits like Provident fund and Gratuity and on account of increase in employees.

Finance Costs

Our finance cost is ₹245.44 Lakhs for the financial year 2022-23 as compared to ₹166.53 Lakhs for the financial year 2021-22, which represents 2.75% and 2.31% of the Total Income of corresponding periods respectively, primarily due to increase in working capital loans.

Depreciation and Amortization Expense

Our depreciation and amortization expense was ₹143.33 Lakhs for the financial year 2022-23, up from ₹120.79 Lakhs for 2021-22. This increase is due to the addition of tangible assets for operations, with depreciation calculated based on the period and asset values in relation to their use for the Company's business.

Other expenses

Our other expenses is ₹608.18 Lakhs for the financial year 2022-23 as compared to ₹612.14 Lakhs for the financial year 2021-22 representing decrease of 0.65%. This expenditure increased marginally due as compared to the previous year.

Profit before Tax

The profit before tax is ₹377.67 Lakhs for the financial year 2022-23 as compared to ₹190.34 Lakhs for the financial year 2021-22 representing an increase of 98.42%. In line with above discussions, this significant growth is primarily attributed to the expansion of business operations, improved resource utilization, and more effective management control.

Profit after Tax

The profit after tax is ₹243.04 Lakhs for the financial year 2022-23 as compared to ₹122.76 Lakhs for the financial year 2021-22 representing an increase of 97.98%. This is largely the result of the business's expansion, which has increased its operational scale, coupled with the adoption of more effective cost control and production management strategies.

INFORMATION REQUIRED AS PER ITEM (II) (C) (iv) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS:**1. Unusual or infrequent events or transactions**

Except as described in this Draft Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled Risk Factors beginning on page [.] of this Draft Red Herring Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in this Draft Red Herring Prospectus, particularly in the sections Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations on pages [.] and [.] , respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations

4. Income and Sales on account of major product/main activities

Income and sales of our Company on account of major activities derives from the business of Soft Gel Products and Pharma Formulation Products.

5. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.

According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the goods in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the services to the customers in full and this can be offset through cost reduction.

6. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by competition, demand/supply situation, Indian Government Policies, foreign exchange rates and interest rates quoted by banks & others.

7. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

8. Total turnover of each major industry segment in which the issuer company operates.

Our Company is primarily engaged in the business of manufacturing & trading of pharmaceutical products. The Company primarily caters to the Indian market.

Relevant industry data, as available, has been included in the chapter titled “Industry Overview” beginning on page [.] of this Draft Red Herring Prospectus.

9. Status of any publicly announced new products or business segments

Our Company has not announced any new product and segment / scheme, other than disclosure in this Draft Red Herring Prospectus.

10. The extent to which the business is seasonal.

Our business is not seasonal in nature.

11. Competitive Conditions

We face competition from existing and potential competitors, which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled “*Our Business*” on page [.] of this Draft Red Herring Prospectus.

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FINANCIAL INDEBTNESS

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of the issuer Company, M/s **AMSTER LABS LIMITED** and further explanations and information provided by the management of the Companies, which we believe to be true and correct to the best of our information and belief, the financial indebtedness of the company as at 31st March 2024 are as mentioned below:

(All amounts in ₹ lacs, unless otherwise stated)

| Nature of Borrowing | Outstanding as on 31/03/2024 |
|---------------------|------------------------------|
| Secured Loan (A) | 2641.88 |
| Unsecured Loan (B) | 1356.77 |
| Total | 3998.65 |

A. Secured Loans (All amounts in ₹ lacs, unless otherwise stated)

| Name of Lender | Nature | Facility | Purpose | Sanctioned Amount (Rs.) | Outstanding As on 31-03-2024 |
|----------------------------------|-----------------------|---------------------------|--------------------------------------|-------------------------|------------------------------|
| Axis Bank CC (1948) | Short Term Borrowings | Cash Credit Limit | To Meet Working Capital Requirements | 1,750.00 | 1,698.27 |
| Axis Bank Loan 4394 | Long term Loan | Vehicle Loan | Purchase of Vehicle | 14.00 | 13.17 |
| Axis Bank Term Loan 1941 | Long term Loan | Term Loan | General Business Purpose | 90.00 | 13.92 |
| Axis Bank Term Loan 8669 | Long term Loan | Working Capital Term Loan | To Meet Working Capital Requirements | 205.00 | 176.50 |
| Axis Bank Term Loan 3804 | Long term Loan | Term Loan | General Business Purpose | 207.00 | 152.62 |
| Axis Bank Term Loan 7980 | Long term Loan | Term Loan | General Business Purpose | 450.00 | 124.01 |
| Axis Bank Loan 5657 | Long term Loan | Term Loan | ECLG | 150.00 | 13.05 |
| Axis Mercedes Loan 4048 | Long term Loan | Vehicle Loan | Purchase of Vehicle | 74.00 | 32.55 |
| Axis Term Loan 5827 | Long term Loan | Term Loan | Purchase of Machinery | 50.00 | 47.02 |
| HDFC Loan Creta 5027 | Long term Loan | Vehicle Loan | Purchase of Vehicle | 12.00 | 5.56 |
| ICICI Bank Mercedes Loan 5727 | Long term Loan | Vehicle Loan | Purchase of Vehicle | 45.00 | 25.12 |
| Kotak Mahindra Vehicle Loan 7461 | Long term Loan | Vehicle Loan | Purchase of Vehicle | 13.50 | 11.60 |
| Kotak Mahindra Bank Loan 7832 | Long term Loan | Business Loan | General Business Purpose | 100.00 | 52.94 |
| Axis Bank (ECLGS 2265) | Long term Loan | Term Loan | ECLG | 45.00 | 2.68 |

| | | | | | |
|----------------------------|-----------------------|-------------------|--------------------------------------|--------|---------|
| Axis Bank (ECLGS 4906) | Long term Loan | Term Loan | ECLG | 24.00 | 20.75 |
| Axis Bank CC (6552) | Short Term Borrowings | Cash Credit Limit | To Meet Working Capital Requirements | 240.00 | 232.33 |
| Axis Loan Toyota Car 23754 | Long term Loan | Vehicle Loan | Purchase of Vehicle | 18.00 | 14.03 |
| HDFC Car Loan 20125 | Long term Loan | Vehicle Loan | Purchase of Vehicle | 14.00 | 5.76 |
| Tpoal | | | | | 2641.88 |

Unsecured Loans

(All amounts in ₹ lacs, unless otherwise stated)

| Name of Lender | Nature | Purpose | Outstanding As on 31/03/2024 |
|---------------------------|------------|----------|------------------------------|
| Uttamjit Singh Sabharwal | Long Term | Business | 112.36 |
| Satyan Anand | Long Term | Business | 92.60 |
| Meena Anand | Long Term | Business | 98.34 |
| Rajinder Kumar Raheja | Long Term | Business | 102.78 |
| Amit Gupta | Long Term | Business | 50.69 |
| Bharminder Kaur Sabharwal | Short Term | Business | 50.00 |
| Rishabh Raheja | Short Term | Business | 39.80 |
| Gurpreet Sabharwal | Short Term | Business | 4.00 |
| Suresh Chand Gupta | Short Term | Business | 15.40 |
| Swarn Gupta | Short Term | Business | 18.40 |
| Raj Kumari Raheja | Short Term | Business | 10.00 |
| Rashika Raheja | Short Term | Business | 17.00 |
| Amit Gupta | Short Term | Business | 101.20 |
| Uttamjit Singh Sabharwal | Short Term | Business | 261.00 |
| Meena Anand | Short Term | Business | 315.00 |
| Rajinder Kumar Raheja | Short Term | Business | 68.20 |

(C) Our Promoters, members of Promoter Group and director have mortgaged their properties and provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.

Our Promoters, members of promoter group and director have mortgaged their properties and provided personal guarantees in relation to certain loan facilities availed of by us. In the event that any of these properties or guarantees are revoked by promoters, members of Promoter group or third party, the lenders for such facilities may require alternate properties as mortgages/guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative properties/guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

Following are details of properties mortgaged and personal guarantees provided for Secured loan facilities availed:

| S.No. | Name of promoter (s) or members of promoter group | Charge Holder | Details of properties mortgaged and personal guarantees |
|--------------|--|----------------------|--|
| 1 | Meena Anand | Axis Bank | House No 295, Sector 12A, Panchkula |
| 2 | Uttamjit Singh Sabharwal | Axis Bank | Personal Guarantee |
| 3 | Meena Anand | Axis Bank | Personal Guarantee |
| 4 | Amit Gupta | Axis Bank | Personal Guarantee |
| 5 | Rajinder Kumar Raheja | Axis Bank | Personal Guarantee |
| 6 | Bharminder Kaur | Axis Bank | Personal Guarantee |
| 7 | Satyan Anand | Axis Bank | Personal Guarantee |

This is for your information and records.

For Mittal Goel & Associates
Chartered Accountants

Sd/-

CA Sandeep Kumar Goel
Partner
M. No. 099212

Date: 05/08/2024
Place: Chandigarh
UDIN:24099212BKCZTJ9216

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Draft Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.

Except as disclosed below there are no:

- a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against the Promoters during the last five years;
- b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
- c) pending proceedings initiated against the Company for economic offences;
- d) default and non-payment of statutory dues by the Company;
- e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company laws in the last five years against the Company, including fines imposed or compounding of offences done in those five years;
- f) material frauds committed against the Company in the last five years.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving the Company, Promoters, Directors, and Group Companies/entities, would be considered material for the purposes of disclosure if:

- a) the monetary amount of the claim made by or against the Company, its joint venture(s) and directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company or 25% of the profits before tax of the Company (whichever is lower) as per the last audited financial statements of the Company for a complete financial year, as included in the Offer Documents; or
- b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and
- c) any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.

Accordingly, we have disclosed all outstanding litigations involving the Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been

considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of the Company.

I. Litigations involving the Company

A. Against the Company

- 1. Litigation involving Criminal Matters: NIL**
- 2. Litigation involving Civil Matters: NIL**
- 3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- 4. Litigation/Matters involving Tax Liabilities: NIL**

B. By the Company

- 1. Litigation involving Criminal Matters: NIL**
- 2. Litigation involving Civil Matters: NIL**
- 3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- 4. Litigation/Matters involving Tax Liabilities: NIL**

II. Litigations involving Promoters/Directors

A. Against Promoters/Directors

1. Litigation involving Criminal Matters:

State through Drug Inspector, Ludhiana vs Uttamjit Singh, Rajinder Raheja, Amit Gupta, Amster Labs (COMA/3803/2023)

A complaint has been filed by the Drug Inspector, Ludhiana, before the Hon'ble Chief Judicial Magistrate, Ludhiana, under Section 18(a)(i) of the Drugs and Cosmetics Act, 1940, which is punishable under Section 27(d) of the same Act. In the last proceedings, bailable warrants were issued to the Accused. The matter is currently at the stage of appearance and pending. The next hearing date is scheduled for 19.11.2024.

However, the accused has approached the Hon'ble Court of Punjab & Haryana, Chandigarh, and obtained a stay on the proceedings in this matter.

- 2. Litigation involving Civil Matters: NIL**
- 3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- 4. Litigation/Matters involving Tax Liabilities: NIL**

B. By Promoters/Directors

1. Litigation involving Criminal Matters:

a) Rajinder Kumar Raheja & Anr vs State of Punjab through Drug Inspector Ludhiana (CRM-24152- 2024 in and CRM-M-14789-2024 and CRM-M-9543-2024)

The Petitioners filed a petition under Section 482 of the Cr.P.C. seeking the quashing of the complaint bearing COMA No. 3808 of 2023, dated 08.02.2023, along with the summoning order dated 09.02.2023, and all subsequent proceedings arising therefrom before the Hon'ble Punjab & Haryana High Court, Chandigarh. During the hearing held on 20.08.2024, Hon'ble Justice Gurbir Singh passed an interim order staying further proceedings before the Trial Court concerning the

petitioners. The matter remains pending, with the next date of hearing scheduled for 03.12.2024.

2. **Litigation involving Civil Matters: NIL**
3. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
4. **Litigation/Matters involving Tax Liabilities: NIL**

III. Litigations Involving Company's Group Entities

- A. **Against the Group Entities: NIL**
- B. **By the Group Entities: NIL**

IV. Litigations Relating to the Subsidiary Company

- A. **Against Directors of the Subsidiary Company: NIL**
- B. **By Directors of the Subsidiary Company: NIL**

Note: The Company has no Subsidiary Company

V. Other litigations involving any other entities which may have a material adverse effect on the Company

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of the Companies Act, show cause notices or legal notices pending against the company whose outcome could affect the operation or finances of the Company or have a material adverse effect on the position of the Company.

VI. Details of the past penalties imposed on the Company / Directors

Except as disclosed above, there are no cases in the last five years in which penalties have been imposed on the Company or on Directors.

VII. Outstanding dues to Creditors

As per the materiality policy of the Company for disclosing outstanding amounts to creditors. Based on the same, as on 31.03.2024 the Company had outstanding dues to creditors as follows:

| | (Rs. in Lakhs) |
|-----------------------------------|-----------------------|
| Particulars | 31.03.2024 |
| Trade Payables | 4,069.98 |
| Micro, Small & Medium Enterprises | Nil |
| Others | 4,069.98 |
| Total | 4,069.98 |

VIII. Material developments occurring after last balance sheet date, that is, March 31, 2024.

Except as disclosed in the section titled —Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Company beginning on page number [.] of this Draft Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Draft Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of its assets or its ability to pay its material liabilities within the next 12 months.

We confirm that there are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision.

We certify that except as stated herein above:

- a) There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters, group entities, companies promoted by the promoters during the past three years.
- b) There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
- c) There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- d) There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies, and firms promoted by the Promoters.
- e) There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- f) There are no litigations against the Promoters / Directors in their personal capacity.
- g) The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
- h) There is no material regulatory or disciplinary action by SEBI, stock exchange or regulatory authority in the past five year in respect of the promoters, group company’s entities, entities promoted by the promoters of the company.
- i) There are no status of criminal cases filed or any investigation being undertaken with regard to alleged commission of any offence by any of the Directors. Further, none of the Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.
- j) The issue is in compliance with applicable provision of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.
- k) Neither the Company nor any of its promoters or directors is a willful defaulter.

GOVERNMENT AND OTHER APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page [.] of the Draft Red Herring Prospectus.

CORPORATE APPROVALS FOR THIS ISSUE

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on August 01, 2024 has approved the Issue, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.
2. The Shareholders have, pursuant to the special resolution dated September 10, 2024 under section 62 (1) (c) of the Companies Act 2013, authorized the Issue.

IN-PRINCIPLE APPROVAL

The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

AGREEMENTS WITH NSDL AND CDSL

1. The Company has entered into a tripartite agreement January 25, 2024, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is Skyline Financial Services Private Limited, for the dematerialization of its shares.
2. The Company has also entered into a tripartite agreement dated February 01, 2024, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who, in this case, is Skyline Financial Services Private Limited, for the dematerialization of its shares.
3. The Company’s International Securities Identification Number (ISIN) is INE0T4E01011.

INCORPORATION DETAILS OF OUR COMPANY

| S. No. | Authorisation Granted | Issuing Authority | CIN | Date of Issue | Validity |
|--------|---|-------------------|-----------------------|---------------|-----------|
| 1. | Certificate of Incorporation in the name of “Amster Labs Limited” | ROC-Chandigarh | U21001CH2024PLC045445 | 01.01.2024 | Perpetual |

TAX RELATED AUTHORISATIONS OF COMPANY

| S. No. | Authorisation Granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|--------|--|--|--|-------------------|---------------------------------|
| 1. | Permanent Account Number | Income Tax Department, GoI | AAZCA9289M | 01.01.2024 | Perpetual |
| 2. | Tax Deduction Account Number | Income Tax Department, GoI | PTLA21656F | 02.01.2024 | Perpetual |
| 3. | <i>Details of GST registration of the Company</i> | | | | |
| (a) | <i>GST Registration Certificate (Himachal Pradesh)</i> | <i>Centre Goods and Services Tax Act, 2017</i> | <i>02AAZCA9289M1ZN</i> | <i>05.01.2024</i> | <i>Valid until cancellation</i> |
| (b) | <i>GST Registration Certificate (Chandigarh)</i> | <i>Centre Goods and Services Tax Act, 2017</i> | <i>04AAZCA9289M1ZJ</i> | <i>24.05.2024</i> | <i>Valid until cancellation</i> |

BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

| S. No. | Authorization Granted | Issuing Authority | Registration No./ Reference No./ License No. | Date of Issue | Valid upto |
|--------|---|--|--|---------------|--------------------------|
| 1) | Udyog Aadhaar Registration Certificate (MSME) | Ministry of Micro, Small, & Medium Enterprises | UDYAM-CH-01-0035348 | 11.01.2024 | Valid until cancellation |
| 2) | Employees' Provident Fund Organisation | Ministry of Labour and Employment | PBCHD3169725000 | 02.01.2024 | Valid until cancellation |
| 3) | Employees State Insurance Corporation | Ministry of Labour and Employment | 1700066692000099 | 02.01.2024 | Valid until cancellation |
| 4) | Registration and License to Work a Factory | Himachal Pradesh Government | L&E(FAC)9-2021169-2816 | 30.08.2022 | 31.12.2025 |
| 5) | Registration and License to Work a Factory | Himachal Pradesh Government | L&E(FAC)9-2017253-2257 | 20.09.2017 | 31.12.2024 |
| 6) | No Objection Certificate (Fire Department) | Himachal Pradesh Government | Application No. App/04/04/23/8/259 | 13.04.2023 | 12.04.2025 |
| 7) | No Objection Certificate (Fire Department) | Himachal Pradesh Government | Application No. App/10/07/23/8/307 | 16.10.2023 | 15.10.2025 |

| | | | | | |
|-----|---|--|-------------------|------------|------------|
| 8) | Drug License (Form 25) | Health & Family Welfare Department, Himachal Pradesh | MNB/19/1064 | 08.04.2024 | Perpetual |
| 9) | Drug License (Form 28) | Health & Family Welfare Department, Himachal Pradesh | MB/19/1065 | 08.04.2024 | Perpetual |
| 10) | FSSAI License | Government of India | 10240408105858928 | 13.04.2024 | Perpetual |
| 11) | Consent under Section-25 of Water (Prevention and Control of Pollution) Act, 1974 | Himachal Pradesh State Pollution Control Board | HP011531992 | 01.04.2024 | 31.03.2026 |
| 12) | ISO 10002:2018 | International Standard Registrations | ISO/CSCM/B2156 | 15.04.2024 | 14.04.2027 |
| 13) | ISO 9001:2015 | Magnitude Management Services Private Limited | 24MEQRF62 | 15.04.2024 | 14.04.2027 |

NO OBJECTION CERTIFICATE (NOC) FROM AUTHORITIES

| S.No. | Particulars | Issuing Authority | Issue Date |
|-------|-------------|-------------------|------------|
| NA | | | |

INTELLECTUAL PROPERTY

As per the records provided by Company, following are the trademarks/wordmark registered or objected in the name of the Company under The Trademarks Act, 1999:

| <i>Trademark/Wordmark</i> | <i>Date of application</i> | <i>Application number</i> | <i>Class</i> | <i>Current Status</i> |
|---------------------------|----------------------------|---------------------------|--------------|-----------------------|
| APODIME | 30.08.2010 | 2016156 | 5 | Registered |
| APOLACTIN | 30.08.2010 | 2016157 | 5 | Registered |
| APOCLOB | 30.08.2010 | 2016158 | 5 | Registered |
| APX LIFESCIENCES | 08.09.2010 | 2020410 | 35 | Registered |
| ROXSALEN | 31.01.2023 | 5786234 | 5 | Registered |
| CRANZE | 08.09.2010 | 2020413 | 5 | Registered |
| CONATE | 21.10.2010 | 2041589 | 5 | Registered |

| | | | | |
|-------------|------------|---------|----|------------|
| DIKIN | 21.10.2010 | 2041587 | 5 | Registered |
| CLEARTUMMY | 27.08.2010 | 2014884 | 5 | Registered |
| DAYPRO | 08.09.2010 | 2020416 | 5 | Registered |
| EYEESEE | 27.08.2010 | 2014881 | 5 | Registered |
| GAPFIL | 08.09.2010 | 2020411 | 5 | Registered |
| JOINTPRO | 27.08.2010 | 2014878 | 5 | Registered |
| HYTREK | 30.08.2010 | 2016154 | 5 | Registered |
| INIGRO | 27.08.2010 | 2014879 | 5 | Registered |
| MESHLIV | 08.09.2010 | 2020412 | 5 | Registered |
| ROELCAV | 27.06.2019 | 4218209 | 5 | Registered |
| QCILTAN | 27.06.2019 | 4218207 | 5 | Registered |
| PALGIC | 30.08.2010 | 2016151 | 5 | Registered |
| PNEUAZ | 27.06.2019 | 4218199 | 5 | Registered |
| SCOGABA | 08.09.2010 | 2020419 | 5 | Registered |
| YITOSAM | 27.06.2019 | 4218206 | 5 | Registered |
| SCOSHIA | 08.09.2010 | 2020415 | 35 | Registered |
| SCOZYME | 08.09.2010 | 2020417 | 5 | Registered |
| YIDOFLAM | 27.06.2019 | 4218202 | 5 | Registered |
| TELOXOTAN | 27.06.2019 | 4218197 | 5 | Registered |
| UNIRUS | 27.08.2010 | 2014883 | 5 | Registered |
| XULJIN | 27.06.2019 | 4218212 | 5 | Registered |
| UBIWASTEN | 27.06.2019 | 4218196 | 5 | Registered |
| AMSTER LABS | 05.04.2023 | 5880356 | 5 | Objected |
| AMSTER LABS | 02.07.2019 | 4223545 | 35 | Registered |

IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.

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OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

1. This Issue has been authorised by a resolution passed by our Board of Directors at its meeting held on August 01, 2024.
2. The Shareholders of our Company have authorised this Issue by their Special Resolution passed pursuant to Section 62 (1) (c) of the Companies Act, 2013, at its EGM held on September 10, 2024 and authorised the Board to take decisions in relation to this Issue.
3. The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.
4. We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled “*Government and Other Approvals*” beginning on page [.] of this Draft Red Herring Prospectus.

PROHIBITION BY SEBI

Our Company, Directors, Promoters, members of the Promoter Group and Group Entities or the Director and Promoter of our Promoter Companies, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority or court.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority or court.

PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof are pending against them.

Our directors have not been declared as wilful defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

In view of the General Circular No. 07/2018 dated September 6, 2018 and General Circular No. 8/ 2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company, and our Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018, upon notification of the relevant forms, as may be applicable to them.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

We confirm that none of our Directors are associated with the securities market in any manner and no action

has been initiated against these entities by SEBI in the past five (5) years preceding the date of this Draft Red Herring Prospectus.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Offer in accordance with Regulation 229 (2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as the post issue face value capital is more than ten crore rupees and upto twenty five crore rupees. Our Company also complies with the eligibility conditions laid by the Emerge Platform of NSE Limited for listing of our Equity Shares.

We confirm that:

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue ***will be hundred percent underwritten and that the Lead Manager to the Offer will underwrite at least 15 % of the Total Issue Size.*** For further details pertaining to said underwriting please refer to “*General Information*” Underwriting on page [.] of this Draft Red Herring Prospectus.
- b) In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight (8) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
- c) In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the Lead Manager shall ensure that the Issuer shall file a copy of the Draft Red Herring Prospectus/ Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Draft Red Herring Prospectus/ Prospectus with the Registrar of Companies.
- d) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the Lead Manager will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled “*General Information*”, “*Details of the Market Making Arrangements for this Issue*” on page [.] of this Draft Red Herring Prospectus.
- e) In accordance with Regulation 228 (a) of the SEBI (ICDR) Regulations, Neither the issuer, nor any of its promoters, promoter group or directors or selling shareholders are debarred from accessing the capital market by the Board;
- f) In accordance with Regulation 228 (b) of the SEBI (ICDR) Regulations, None of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board;
- g) In accordance with Regulation 228 (c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or fraudulent borrower.
- h) In accordance with Regulation 228 (d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoters or directors is a fugitive economic offender.
- i) In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited and NSE Limited is the Designated Stock Exchange.
- j) In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into

agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.

- k) In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid Up.
- l) In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialized form.

NSE ELIGIBILITY NORMS:

1. **The Issuer should be a company incorporated under the Companies Act, 1956.**
The Company has been incorporated under the Companies Act, 2013 in India.
2. **The post issue paid up capital of the company (face value) shall not be more than Rs. 25 Crores.**
The post issue paid up capital of the Company (face value) more than ten crore rupees and upto twenty five crore rupees.
3. **Track Record:**
The Company and the partnership firms have a combined track record of atleast 3 years as on the date of filling Prospectus.
4. **Operating Profits from Operations and Net-worth**
The Company should have operating profit (earnings before interest, depreciation and tax) from operations for at least 2 financial years preceding the application & the net-worth of the Company should be positive.

| (Rs. In Lakh) | | | |
|---|------------|------------|------------|
| Particulars | FY 2023-24 | FY 2022-23 | FY 2021-22 |
| Operating profit (earnings before interest, depreciation and tax) | 10097.52 | 9762.11 | 9219.64 |
| Net-worth | 1654.92 | 1177.50 | 944.47 |

Other Requirements

- The company shall mandatorily facilitate trading in demat securities and will entered into an agreement with both the depositories. Also, the Equity Shares allotted through this Issue will be in dematerialized mode.
- Our Company has a live and operational website: <https://amster.in/>
- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against our Company that has been accepted by a court.
- There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.
- There has been no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the NSE Emerge.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE LEAD MANAGER FAST TRACK FINSEC PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE LEAD MANAGER, FAST TRACK FINSEC PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FAST TRACK FINSEC PRIVATE LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 27, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

DISCLAIMER STATEMENT FROM OUR COMPANY, OUR DIRECTORS AND THE LEAD MANAGER

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.ftfinsec.com & <https://amster.in/> would be doing so at his or her own risk.

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholder, and our Company.

CAUTION

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the Lead Manager shall make all information available 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 or at collection centers, *etc.*

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakh, pension funds with minimum corpus of Rs. 2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Delhi only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus had been filed with NSE Emerge for its observations and NSE Emerge gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE

NSE Limited (NSE) has given vide its letter dated [●] permission to this Company to use its name in this offer document as one of the stock exchange on which this company's securities are proposed to be listed on the Emerge Platform. NSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. NSE Limited does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offer or will continue to be listed on NSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by NSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE, 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.
- v. NSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the Emerge platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by NSE / other regulatory authority. Any use of the Emerge platform and the related services are subject to Indian Laws and Courts exclusively situated in Delhi.

DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT, 1933

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, -U.S Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulations under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

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

TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and the track record of the past Issues handled by the Lead Manager to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015,

issued by the SEBI, please refer to “Annexure A” to the Prospectus and the website of the Lead Manager at www.ftfinsec.com.

Price Information and the Track Record of the Past Issues Handled by the Lead Manager:

ANNEXURE-A

Disclosure of Price Information of Past Issues Handled by Merchant Banker(s)

| S. No. | Issuer Name | Issue Size (Rs. in Cr.) | Issue Price (Rs.) | Listing Date | Operating Price on Listing Date | +/-% change in closing price, [+/-% change in closing bench mark]-30th calendar days from listing | +/-% change in closing price, [+/-% change in closing bench mark]-90th calendar days from listing | +/-% change in closing price, [+/-% change in closing bench mark]-180th calendar days from listing | SME/ Main Board |
|--------|----------------------------------|-------------------------|-------------------|--------------------|---------------------------------|---|---|--|-----------------|
| 1. | Gajanand International Limited | 20.64 | 36.00 | September 16, 2024 | 42.00 | Not Applicable | Not Applicable | Not Applicable | SME |
| 2. | Ambey Laboratories Limited | 42.55 | 68.00 | July 11, 2024 | 89.25 | (26.16) 0.13 | Not Applicable | Not Applicable | SME |
| 3. | Akiko Global Services Limited | 23.11 | 77.00 | July 02, 2024 | 93.35 | (26.99) 3.68 | Not Applicable | Not Applicable | SME |
| 4. | Enser Communications Limited | 16.17 | 70.00 | March 22, 2024 | 70.1 | (2.99) 1.08 | 146.36 6.65 | Not Applicable | SME |
| 5. | Sungarner Energies Limited | 5.31 | 83.00 | August 31, 2023 | 262.35 | (17.66) (0.95) | (27.57) 4.37 | 23.91 15.29 | SME |
| 6. | Pearl Green Clubs and | 11.71 | 186.00 | July 07, 2022 | 198.50 | 3.27 11.95 | (0.50) 45.52 | (2.92) 102.80 | SME |
| 7. | Globesecure Technologies Limited | 10.12 | 29.00 | June 02, 2022 | 37.10 | 212.94 (5.35) | 313.07 14.94 | 125.47 38.57 | SME |
| 8. | Jeena Sikho Lifecare Limited | 55.50 | 150.00 | April 19, 2022 | 173.35 | (12.69) (2.42) | (18.16) (7.09) | (15.17) 22.78 | SME |

| | | | | | | | | | |
|-----|---------------------------------------|-------|--------|--------------------|--------|---------|---------|---------|-----|
| 9. | SBL Infratech Limited | 2.37 | 111.00 | September 28, 2021 | 125.00 | (55.20) | (64.8) | (47.72) | SME |
| | | | | | | (0.53) | (3.77) | (3.48) | |
| 10. | Kranti Industries Limited | 2.09 | 37.00 | February 28, 2019 | 36.95 | (1.22) | 2.84 | (12.04) | SME |
| | | | | | | (8.38) | 1.62 | (3.16) | |
| 11. | Goblin India Limited | 15.20 | 52.00 | October 15, 2019 | 56.60 | 125.71 | 80.21 | (27.20) | SME |
| | | | | | | 4.62 | 8.70 | (20.29) | |
| 12. | Ascom Leasing and Investments Limited | 6.32 | 30.00 | December 06, 2019 | 30.00 | 5.00 | 0.00 | 15.83 | SME |
| | | | | | | (0.60) | (5.47) | (15.60) | |
| 13. | Trekkingtoes.Com Limited | 4.54 | 105.00 | August 28, 2020 | 99.75 | (55.59) | (59.90) | (67.92) | SME |
| | | | | | | (3.77) | 12.14 | 28.67 | |

TABLE 1

All share price data is from www.bseindia.com and www.nseindia.com

Note:

- The S&P, SME IPO, Sensex and CNX Nifty are considered as the Benchmark Index.
- Prices on BSE/NSE are considered for all of the above calculations.
- In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.

TABLE 2

Summary Statement of Disclosure

| Financial Year | Total no. of IPOs | Total Amount of Funds raised (Rs. Cr.) | 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% |
| 2024-25* | 3 | 86.31 | - | 2 | - | - | - | - | - | - | - | - | - | - |
| 2023-24 | 1 | 21.48 | - | - | - | 1 | - | - | - | - | - | - | - | - |
| 2022-23 | 3 | 77.32 | - | - | 1 | 1 | - | 1 | - | - | 2 | 1 | - | - |
| 2021-22 | 1 | 2.37 | 1 | - | - | - | - | - | - | 1 | - | - | - | - |
| 2020-21 | 1 | 4.54 | 1 | - | - | - | - | - | 1 | - | - | - | - | - |
| 2019-20 | 2 | 21.52 | 1 | - | 1 | - | - | - | - | 1 | 1 | - | - | - |

| | | | | | | | | | | | | | | |
|---------|---|------|---|---|---|---|---|---|---|---|---|---|---|---|
| 2018-19 | 1 | 2.09 | - | - | 1 | - | - | - | - | - | 1 | - | - | - |
|---------|---|------|---|---|---|---|---|---|---|---|---|---|---|---|

*Upto the date of this Draft Red Herring Prospectus

LISTING

Application will be made to the NSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of NSE Limited has given its in-principle approval for using its name in our Offer documents vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE Limited, our Company will forthwith repay, without interest, all moneys received from the Applicant in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE Limited mentioned above are taken within six Working Days from the Offer Closing Date.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

“Any person who:

- a. makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or*
- b. otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years.”*

CONSENTS

Consents in writing of:(a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) Lead Manager, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing final Prospectus to ROC) and will be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report is not withdrawn up to the time of delivery of this Prospectus with NSE.

EXPERT OPINION

Except the report of the Peer Review Auditor on (a) the restated financial statements; (b) statement of tax benefits, (c) Audit reports by Peer Review Auditors for period ended 31st March, 2024, 2023 & 2022 our Company has not obtained any other expert opinion. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION

We have not made any previous rights and/or public issues since incorporation, and are an Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an –Initial Public Offering in terms of the SEBI ICDR Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Other than as detailed under chapter titled “Capital Structure” beginning on page [.] of the Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the IPO of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

PREVIOUS CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY

None of our Group Companies and Associates are listed and have undertaken any public or rights issue in the three (3) years preceding the date of this Draft Red Herring Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF OUR COMPANY

Our Company has not undertaken any public or rights issue since incorporation preceding the date of this Draft Red Herring Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF THE LISTED SUBSIDIARIES OF OUR COMPANY

As on the date of the Draft Red Herring Prospectus, our Company does not have any subsidiary company.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of the Draft Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

OPTION TO SUBSCRIBE

Equity Shares being offered through this Draft Red Herring Prospectus can be applied for in dematerialized form only.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an Unlisted Issuer in terms of the SEBI (ICDR) Regulations, and this Offer is an Initial Public Offering in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted. All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Applicant.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Applicant shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Shweta as the Company Secretary and Compliance Officer and may be contacted at the following address:

Amster Labs Limited

SCO 166-167, Level 1, Sector 9C, Madhya Marg,
Sector 9, Chandigarh, India, 160009

E-mail: info@amsterlabs.in

Website: <https://amster.in/>

Tel. +0172-4647449

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

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SECTION VIII – ISSUE INFORMATION**TERMS OF THE ISSUE**

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN) and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchange, the RBI, ROC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchange, the ROC and any other authorities while granting their approval for the Issue.

Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the bidders applying in a public issue have to compulsorily apply through the ASBA Process providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further in terms of SEBI through its circular no.

SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and any subsequent circulars issued by SEBI in this regard, (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by retail individual investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Further, 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 notified and made effective on a voluntary basis for public issues opening on or after September 1, 2023, and on a mandatory basis for public issues opening on or after December 1, 2023. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II of the UPI Circular, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

THE OFFER

The Offer consists of a Fresh Issue by our Company. Expenses for the Offer shall be borne by our Company in the manner specified in “Objects of the Issue” on page [•] of this Draft Red Herring Prospectus.

RANKING OF EQUITY SHARES

The Equity Shares being Offered/Allotted and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends, Voting Power and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

AUTHORITY FOR THE ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on August 01st, 2024 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on September 10th, 2024.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the transferee who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, please refer to the chapter titled Dividend Policy beginning on page [●] of this Draft Red Herring Prospectus.

FACE VALUE, ISSUE PRICE, FLOOR PRICE AND PRICE BAND

The face value of each Equity Share is Rs. 10/- and the Offer Price at the lower end of the Price Band is Rs. [●] /- per Equity Share (“Floor Price”) and at the higher end of the Price Band is Rs. [●] /- per Equity Share (“Cap price”). The Anchor Investor Offer Price is Rs. [●] /- per Equity Share.

The Price Band and the Bid Lot will be decided by our Company, in consultation with the BRLM, and published by our Company in [●] edition of [●] (a widely circulated English national daily newspaper) and [●] edition of [●] (a widely circulated Hindi national daily newspaper), Punjabi also being the regional language of Chandigarh 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 Exchange for the purpose of uploading the same on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchange. The Offer Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

COMPLIANCE WITH THE SEBI ICDR DISCLOSURES

Our Company shall comply with all the applicable requirements of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDER

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “*Main Provision of Article of Association*” on page [•] of this Draft Red Herring Prospectus.

ALLOTMENT ONLY IN DEMATERIALISED FORM

As per the provisions of the Depositories Act, 1996 & regulations made thereunder and Section 29 of the Companies Act, the Equity Shares shall be allotted only in dematerialized form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Red Herring Prospectus:

- Tripartite agreement dated January 25, 2024 among Central Depository Services (India) Limited (CDSL), our Company and the Registrar to the Issue; and
- Tripartite agreement dated February 1, 2024 among National Securities Depository Limited (NSDL), our Company and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [•] Equity Shares and the same may be modified by the NSE Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [•] Equity Shares subject to a minimum allotment of [•] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

MINIMUM BID CUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Red Herring Prospectus:

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the EMERGE Platform of NSE from time to time by giving prior notice to investors at large. For further details, see “*Issue Procedure*” on page [●] of this Draft Red Herring Prospectus.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Issue.

JOINT HOLDERS

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

JURISDICTION

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in Punjab or Union Territory Chandigarh, India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

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

NOMINATION FACILITY TO THE INVESTOR

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being an nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the equity shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI (ICDR) Regulations, 2018, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of National Stock Exchange of India Limited.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company. Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA applicant within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed.

The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchanges will also be informed promptly. In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit reports of compliance with the applicable listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the

Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

MINIMUM SUBSCRIPTION

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter within sixty days from the date of closure of the Offer, the Issuer shall forthwith refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the issuer fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, it shall refund through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four (4) days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Offer is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information - Underwriting” on page [.] of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

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

PERIOD OF SUBSCRIPTION LIST OF THE PUBLIC ISSUE

| Event | Indicative Date |
|---|-----------------|
| Offer Opening Date* | [•] |
| Offer Closing Date** | [•] |
| Finalization of Basis of Allotment with the Designated Stock Exchange | [•] |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account | [•] |
| Credit of Equity Shares to Demat Accounts of Allottees | [•] |
| Commencement of trading of the Equity Shares on the Stock Exchange | [•] |

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

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

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through theUPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the bidders 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 Exchange Applying 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 bid 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 Bid, exceeding four Working Days from the Issue Closing Date, the bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue BRLM shall be liable for compensating the bidder at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and the bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 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 and SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.

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

The above timetable is indicative and does not constitute any obligation on our Company, and the BRLM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

Standardization of cut-off time for uploading of applications on the Issue closing date:

- a. A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b. A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c. A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of bids received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Times.

Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issue, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted bids to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such bids by the closing hours of the Working Day.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/ Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the bidding (issue) period disclosed in the red herring prospectus (in case of a book built issue) or the issue period disclosed in the prospectus (in case of a fixed price issue), for a minimum period of three working days, subject to the Bid/ Issue Period not exceeding 10 working days.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Separately, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

| Scenario | Compensation amount | Compensation period |
|--|--|--|
| Delayed unblock for cancelled / withdrawn / deleted bids | ₹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 | Instantly revoke the blocked funds other than the original | From the date on which multiple |

| | | |
|---|---|--|
| UPI Mechanism | bid amount and ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher | amounts were blocked till the date of actual unblock |
| Blocking more amount than the Bid Amount | Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and ₹100 per day or 15% per annum of the difference amount, whichever is higher | From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock |
| Delayed unblock for non – Allotted /partially Allotted bids | ₹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 post-issue BRLM shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Due to limitation of time available for uploading the bids on the issue Closing Date, the bidder advised to submit their bids one day prior to the issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the issue Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Times at the Bidding Centres as mentioned on the Bid cum Application form except that:

- (a) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and
- (b) in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of bids received up to the closure of timings and reported by the BRLM to the Stock Exchanges.

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 will be rejected.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application form, for a particular bidder, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment.

MIGRATION TO MAIN BOARD

In accordance with the National Stock Exchange of India Limited Circular dated April 20, 2023, our Company will have to be mandatorily listed and traded on the Emerge Platform of the NSE for a minimum period of 3 (Three) years from the date of listing and only after that it can migrate to the Main Board of National Stock Exchange of India Limited as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations. Our company may migrate to the main board of NSE Limited at a later date subject to the following:

a. If the Paid up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in- principal approval from the main board), our Company shall apply to NSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

b. If the paid-up Capital of our company is more than Rs. 10 Crores but below Rs. 25 Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

MARKET MAKING

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited with compulsory market making through the registered Market Maker of the Emerge Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page [●] of this Draft Red Herring Prospectus.

RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution in the Issue as detailed in the chapter Capital Structure beginning on page [●] of this Draft Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Application by eligible NRIs, FPIs/FIIs registered with SEBI, VCFs registered with SEBI and QFIs

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful Bidder will be done in the dematerialized form only. Bidder will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

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ISSUE PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchange and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism.

The investors should note that the details and process provided in the General Information Document should be read along with this section. Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

Our Company, the Promoter and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus.

Further, our Company, the Promoter and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

BOOK BUILDING PROCEDURE

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60.00% 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 shall be added to the QIB Portion. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% 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.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spillover from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for RIBs Bidding in the Retail Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Issue, subject to applicable laws.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Prospectus together with the Bid cum Application Forms and copies of the Draft Red Herring Prospectus/ Red Herring Prospectus/ Abridged Prospectus/ Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the BRLM to the Issue, Registrar to the Issue as mentioned in the Bid cum Application form. The bid cum application forms may also be downloaded from the website of NSE i.e., www.nseindia.com. Bidders shall only use the specified Bid cum Application Form for the purpose of making an Application in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus/ Abridged Prospectus/ Prospectus. All the Bidders shall have to apply only through the ASBA process. ASBA Bidders shall submit a Bid cum Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Red Herring Prospectus. The Bid cum Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

Phased implementation of unified payments interface

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a. Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six (6) Working Days.
- b. Phase II: This phase commenced on completion of Phase I i.e., with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Bidder through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.
- c. Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification").

In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering the facility of making applications in public issues are required to provide a facility to make applications using the UPI Mechanism. Further, in accordance with the UPI Circulars, our Company has appointed [●] as the Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Investors into the UPI mechanism.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked 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 in this regard, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to Rs. 5,00,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than Rs. 200,000 and up to Rs. 5,00,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the office of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The RII's Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

A Retail Individual Investor making applications using the UPI Mechanism shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in the Issue. The SCSBs,

upon receipt of the Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchange. Applications made by the Retail Individual Investors using third party bank accounts or using UPI IDs linked to the bank accounts of any third parties are liable for rejection. The Bankers to the Issue shall provide the investors' UPI linked bank account details to the RTA for the purpose of reconciliation. Post uploading of the Bid details on the bidding platform, the Stock Exchanges will validate the PAN and demat account details of Retail Individual Investors with the Depositories.

ASBA Bidders shall submit a Bid cum Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Bid cum Application Form used by ASBA Bidders.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Bidders shall only use the specified Bid cum Application Form for the purpose of making a Bid in terms of the Red Herring Prospectus.

The prescribed colour of the Application Form for various categories is as follows:

| Category | Colour of Application Form |
|---|----------------------------|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis | White |
| Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis | Blue |
| Anchor Investors** | White |

**Excluding electronic Bid cum Application Form*

*** Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.*

Note:

- ◆ Details of depository account are mandatory and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities re-materialised subsequent to allotment.
- ◆ The shares of the Company, on allotment, shall be traded on stock exchanges in demat mode only.
- ◆ Single bid from any investor shall not exceed the investment limit/maximum number of specified securities that can be held by such investor under the relevant regulations/statutory guidelines.
- ◆ The correct procedure for applications by Hindu Undivided Families and applications by Hindu Undivided Families would be treated as on par with applications by individuals;

SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- i. An SCSB, with whom the bank account to be blocked, is maintained;
- ii. A syndicate member (or sub-syndicate member);
- iii. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (broker);
- iv. A depository participant (DP) (Whose name is mentioned on the website of the stock exchange as eligible for this activity);
- v. A registrar to an issuer and share transfer agent (RTA) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

| | |
|--|---|
| For Applications submitted by investorsto SCSB: | After accepting the form, SCSB shall capture and upload the relevant details in theelectronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified. |
| For Applications submitted by investorsto intermediaries otherthan SCSBs: | After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue. |
| For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment: | After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account. |

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

WHO CAN APPLY?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines: -

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the non-institutional applicants category;
- Venture Capital Funds registered with SEBI;
- Foreign Venture Capital Investors registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of Rs.2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs.2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy or air force of the Union of India

- Any other person eligible to applying in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications shall not be made by:

- a. Minors (except through their Guardians)
- b. Partnership firms or their nominations
- c. Foreign Nationals (except NRIs)
- d. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Applicants

The Application must be for a minimum of [●] Equity Shares. As the Application Price payable by the Applicant cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for [●] Equity Shares.

b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

MEHTODS OF BIDDING PROCESS

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published one widely circulated English language national daily

newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the registered office of the company is situated, and also by indicating the change on the websites of the Book Running Lead Manager.

- b) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- c) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- d) The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form
- e) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- f) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- g) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT PRICES LEVELS AND REVISION OF BIDS

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

PARTICIPATION BY ASSOCIATES OF BRLM

The BRLM shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. All categories of Applicants, including associates and affiliates of the BRLM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

OPTION TO SUBSCRIBE IN THE ISSUE

- a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.
- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

INFORMATION TO THE BIDDERS

- 1) Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
- 2) Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
- 3) Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
- 4) Any Bidder who would like to obtain the Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
- 5) Bidders who are interested in subscribing for Equity Shares should approach Designated Intermediaries to register their applications.
- 6) Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Bidders whose beneficiary account is inactive shall be rejected.

- 7) The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Bidders has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
- 8) Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
- 9) Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating in transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
- 10) The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

APPLICATION BY MUTUAL FUNDS

With respect to Bid by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company, in consultation with BRLM reserves the right to reject any application 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.

As per the current regulations, the following restrictions are applicable for investments by mutual funds.

No mutual fund scheme shall invest more than 10.00% of its net asset value in the Equity Shares or equity related instruments of any single Company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific funds/Schemes. No mutual fund under all its schemes should own more than 10.00% of any Company's paid up share capital carrying voting rights.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

APPLICATION BY HUF

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

APPLICATIONS BY ELIGIBLE NRI

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident forms should authorise their respective SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders bidding through UPI Mechanism) to block their Non-Resident External (“NRE”) accounts (including UPI ID, if activated), or Foreign Currency Non-Resident (“FCNR”) accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using resident forms should authorise their SCSB to block their Non-Resident Ordinary (“NRO”) accounts or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs will be permitted to apply in the Issue 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 Issue, provided the UPI facility is enabled for their NRE/NRO accounts. Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue colour).

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. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Non-debt Instrument Rules.

Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange will be considered for allotment. For details of restrictions on investment by NRIs, please refer to the chapter titled “Restrictions on Foreign Ownership of Indian Securities” beginning on page [.] of this Draft Red Herring Prospectus.

APPLICATIONS BY ELIGIBLE FIIs/FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a

fully diluted basis. Currently, the sectoral cap for relevant business sector in India is 100% under automatic route.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

APPLICATIONS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURECAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "SEBI VCF Regulations") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative

Investment Funds) Regulations, 2012 (the “SEBI AIF Regulations”) prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited Liability Partnerships can participate in the Issue only through the ASBA Process.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

APPLICATIONS BY BANKING COMPANIES

Applications by Banking Companies: In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 01, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in nonfinancial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in nonfinancial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and nonfinancial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, please refer chapter titled “Key Industry Regulations” beginning on Page No. 195 of this Draft Red Herring Prospectus.

Applications by SCSBs: SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Applications by Systemically Important NBFCs: In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time. The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c) With respect to applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the lead manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

Offer Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of Payment

The entire Offer price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Offer shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Payment into Escrow Account for Anchor Investors

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - i. the applications accepted by them,
 - ii. the applications uploaded by them
 - iii. the applications accepted but not uploaded by them, or
 - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
 - i. the applications accepted by any Designated Intermediaries
 - ii. the applications uploaded by any Designated Intermediaries or
 - iii. the applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

| Sl. No. | Details |
|----------------|-------------------|
| 1. | Symbol |
| 2. | Intermediary Code |
| 3. | Location Code |
| 4. | Application No. |

| | |
|----|-----------|
| 5. | Category |
| 6. | PAN |
| 7. | DP ID |
| 8. | Client ID |
| 9. | Quantity |

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
- Name of the Bidder;
 - IPO Name;
 - Bid Cum Application Form Number;
 - Investor Category;
 - PAN (of First Bidder, if more than one Bidder);
 - DP ID of the demat account of the Bidder;
 - Client Identification Number of the demat account of the Bidder;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Build of the book

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Offer Period.

Withdrawal of Bids

- i. RIIs can withdraw their Bids until Bid/ Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- ii. The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

Price Discovery and Allocation

- a. Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Offer Price and the Anchor Investor Offer Price.
- b. The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c. Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d. In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under subscription applicable to the Issuer, Bidders may refer to the RHP.
- e. In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage. f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

Illustration of the Book Building and Price Discovery Process:

Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various

investors.

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|---------------------|-----------------------|----------------------------|---------------------|
| 500 | 24 | 500 | 16.67% |
| 1,000 | 23 | 1,500 | 50.00% |
| 1,500 | 22 | 3,000 | 100.00% |
| 2,000 | 21 | 5,000 | 166.67% |
| 2,500 | 20 | 7,500 | 250.00% |

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Signing of Underwriting Agreement and Filing of Red Herring Prospectus/Prospectus with ROC

- a) Our company has entered into an Underwriting Agreement dated [●].
- b) A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be filing with ROC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, the company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue

Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI ICDR Regulations, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as Demographic Details). Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors may be on proportionate basis. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue.

Flow of Events from the closure of Bidding period (T DAY) Till Allotment:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below.

Process for generating list of Allottees:

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

A. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

B. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

C. PROPORTIONATE BASIS OF ALLOTMENT

In the event of the Issue being Over-Subscribed, the Issuer may finalize the Basis of Allotment in consultation with the National Stock Exchange of India Limited (NSE Emerge) (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
- Each successful Bidder shall be allotted [●] equity shares; and
 - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Prospectus.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director/ Managing Director of NSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Further, Allotment will be made in consultation with the National Stock Exchange of India Limited. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted [●] equity shares; and
 - b) The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

5. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

TERMS OF PAYMENT

The entire Issue price of Rs. [•] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs or Sponsor Bank to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

PAYMENT MECHANISM FOR APPLICANTS

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the ECL Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000 shall use UPI.

ELECTRONIC REGISTRATION OF APPLICATIONS

The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities on a regular basis before the closure of the issue.

On the Issue Closing Date, the Designated Intermediaries may upload the applications till such time as may be permitted by the Stock Exchange.

c) Only Applications that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. In the Phase 1, the Designated Intermediaries are given till 1:00 pm on the day following the Issue Closing Date to modify Select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange send the application information to the Registrar to the Issue for further processing.

PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or banks for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Ensure that you have Bid within the Price Band;
- Read all the instructions carefully and complete the applicable Bid cum Application Form in prescribed format;
- Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- All Bidders should submit their Bids through the ASBA process only;
- Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- 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;
- Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);
- Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Bid cum Application Form;
- RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
- RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the Bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

- RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the Offer;
- RIBs submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Application Form;
- RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Bidder in case of joint Bids, is included in the Application Forms
- QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment;
- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Bid options;
- Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the I.T. Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- 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;
- Ensure that the category and the investor status is indicated;
- Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the

case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;

- Ensure that the Application Forms are delivered by the Bidders within the time prescribed as per the Application Form and the Draft Red Herring Prospectus;

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest
- RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the General Index Register number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer.
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant;
- All Investors submit their applications through the ASBA process only except as mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021;
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIB Bidders using the UPI Mechanism;

The Applications should be submitted on the prescribed Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- (i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
- (ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- (iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client's norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

GROUND FOR REJECTIONS

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

BASIS OF ALLOTMENT**a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Offer Price.

The Net Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Net Offer size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. For QIBs

Bids received from QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price.

Allotment shall be undertaken in the following manner:

In the first instance allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:

- i. In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●] % of the QIB Portion.
- ii. In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
- iii. Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

In the second instance Allotment to all QIBs shall be determined as follows:

- i. In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●] % of the QIB Portion.
- ii. Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- iii. Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

c) Basis of Allotment for QIBs and NIIs in case of Over Subscribed Offer:

In the event of the Offer being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE EMERGE (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

• The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).

The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).

• For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

• Each successful Bidder shall be allotted [●] equity shares; and

• The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.

• If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

• If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in this DRHP.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹ 2,00,000/. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Issuance of Allotment advice

- a. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- b. On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer. The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.
- c. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the Offer Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 2 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

Instruction for completing the Bid cum application form

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012, has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., www.bseindia.com and NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e., www.bseindia.com/ and NSE i.e. www.nseindia.com/

Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code

and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Bid cum Application form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post Offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Application and Application Moneys and Interest in case of Delay

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (Two) working days of the Offer Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

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."

Undertakings by our company

Our Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre- Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. that the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. that all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within six Working Days of Issue Closing Date or such time as prescribed;
5. that the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
6. where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
7. that no further Issue of Equity Shares shall be made till the Equity Shares issued through this Draft Red Herring Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.
8. that adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
9. that if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law for the delayed period;
10. that the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time;

Utilization of Issue Proceeds

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. Our Company undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

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RESTRICTION 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 (“Consolidated FDI Policy”), which, with effect from October 15, 2020 consolidated and superseded all previous press notes, press releases, circulars and clarifications on FDI issued by DPIIT that were in force and effect prior to October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in manufacturing activities in India (including contract manufacturing in India) is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by 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 Issue 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 (Nondebt 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. 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 existing policy of the Government of India, OCBs cannot participate in this Issue. The Equity Shares offered in the Issue have not been and will not be registered under the 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 Securities Act and applicable U.S. state securities laws.

Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may

occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

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ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer, whose post issue face value capital is more than ten crore rupees and upto twenty-five crore rupees shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“*SME Exchange*”), in this case being the NSE Emerge. For further details regarding the salient features and terms of such an issue please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page [●] and [●] of this Draft Red Herring Prospectus.

Issue Structure:

Initial Public Issue of upto 53,08,800 Equity Shares of face value ₹10 each (the “Equity Shares”) for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs (“the Issue”) by the issuer Company (the “Company”).

The Issue comprises a reservation of upto [●] Equity Shares of ₹ 10 each for subscription by the designated Market Maker (“the Market Maker Reservation Portion”) and Net Issue to Public of upto [●] Equity Shares of ₹ 10 each (“the Net Issue”). The Issue and the Net Issue will constitute [●] % and [●] %, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Book Building Process.

| Particulars of the Issue ⁽²⁾ | Market Maker Reservation Portion | QIBs ⁽¹⁾ | Non-Institutional Investors | Retail Individual Investors |
|---|----------------------------------|---|---|---|
| Number of Equity Shares available for allocation | Upto [●] Equity Shares | Not more Shares than [●] Equity | Not less than [●] Equity Shares | Not less than [●] Equity Shares |
| Percentage of Issue Size available for allocation | [●] % of the Issue Size | Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion 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 QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion | Not less than 15% of the Net Issue | Not less than 35% of the Net Issue |
| Basis of Allotment ⁽³⁾ | Firm Allotment | Proportionate as follows (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 | Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares | Proportionate basis subject to minimum allotment of [●] Equity Shares |

| | | | | |
|--|--|--|--|--|
| | | allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. | | |
|--|--|--|--|--|

| Particulars of the Issue ⁽²⁾ | Market Maker Reservation Portion | QIBs ⁽¹⁾ | Non-Institutional Investors | Retail Individual Investors |
|---|--|--|--|--|
| | | Up to 60% of the QIB Portion (of 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 | | |
| Mode of Allotment | Compulsorily in dematerialized form. | | | |
| Minimum Bid Size | [●] Equity Shares | Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000 | Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000 | [●] Equity Shares |
| Maximum Bid Size | [●] Equity Shares | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000 |
| Trading Lot | [●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018. | [●] Equity Shares and in multiples thereof | [●] Equity Shares and in multiples thereof | [●] Equity Shares and in multiples thereof |
| Terms of Payment | 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 through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their | | | |

| | Bids (4) | | | |
|--------------------|--------------------------------|--|-------------------------------|---|
| Mode of Bid | Only through the ASBA process. | Only through the ASBA process. (Except for Anchor investors) | Only through the ASBA process | Through ASBA Process Through Banks or by using UPI ID for payment |

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

(1) Our Company may, in consultation with the Book Running Lead Managers, 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 price Anchor Investor Allocation Price.

(2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

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

(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under **“Issue Procedure - Bids by FPIs”** on pages [●] 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.

If the Bid is submitted in joint names, 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 depository account held in joint names. The signature of only the 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. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/ Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) filing of Red Herring Prospectus with RoC.

Issue Program

| Event | Indicative Dates |
|--|------------------|
| Bid/ Issue Opening Date | [●] ¹ |
| Bid/ Issue Closing Date | [●] ² |
| Finalization of Basis of Allotment with the Designated Stock Exchange | [●] |
| Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account orUPI ID linked bank account | [●] |
| Credit of Equity Shares to Demat accounts of Allottees | [●] |
| Commencement of trading of the Equity Shares on the Stock Exchange | [●] |

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

²Our Company in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the Circular) standardized the lot size for Initial Public Offer proposing to list on Emerge exchange/platform and for the secondary market trading on such exchange/platform, as under:

| Issue Price (in Rs.) | Lot Size (No. of shares) |
|-------------------------|--------------------------|
| Upto 14 | 10000 |
| More than 14 upto 18 | 8000 |
| More than 18 upto 25 | 6000 |
| More than 25 upto 35 | 4000 |
| More than 35 upto 50 | 3000 |
| More than 50 upto 70 | 2000 |
| More than 70 upto 90 | 1600 |
| More than 90 upto 120 | 1200 |
| More than 120 upto 150 | 1000 |
| More than 150 upto 180 | 800 |
| More than 180 upto 250 | 600 |
| More than 250 upto 350 | 400 |
| More than 350 upto 500 | 300 |
| More than 500 upto 600 | 240 |
| More than 600 upto 750 | 200 |
| More than 750 upto 1000 | 160 |
| Above 1000 | 100 |

Further to the Circular, at the initial public offer stage the Registrar to Issue in consultation with Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the initial public offer lot size at the application/allotment stage, facilitating secondary market trading.

*50% of the shares offered are reserved for applications below Rs.2.00 lakh and the balance for higher amount applications.

| | |
|---------------------------|-----|
| ISSUE OPENING DATE | [●] |
| ISSUE CLOSING DATE | [●] |

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue closing date when applications will be accepted only between 10.00 a.m. to 2.00 p.m.

In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bidform, for a particular bidder, the detail as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:

- a) A standard cut-off time of 3.00 P.M. for acceptance of applications.
- b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular bidder, the details as per physical Bid- Cum-application form of that Bidder may be taken as the final data for the purpose of allotment. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).

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SECTION IX - MAIN PROVISION OF ARTICLE OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

We confirm that there are no material clauses of Article of Association that have been left out from disclosure having bearing on the Issue.

| ARTICLES OF ASSOCIATION OF AMSTER LABS LIMITED |
|---|
| The Regulations contained in Table F in Schedule I to the Companies Act, 2013 shall apply to the Company and the Regulations herein contained shall be the regulations for the management of the Company and for the observance of its members and their representatives. They shall be binding on the Company and its members as if they are the terms of an agreement between them. |
| INTERPRETATION |
| (1) In these Articles — Interpretation Clause |
| a) Company means AMSTER LABS LIMITED |
| b) Office means the Registered Office of the Company |
| c) Act means the Companies Act 2013 and any statutory modification thereof |
| d) Seal means the common seal of the company |
| e) Directors means the Directors of the Company and includes persons occupying the position of the Directors by whatever names called |
| SHARE CAPITAL AND VARIATION OF RIGHTS |
| II. (1) Subject to the provisions of the Act and these Articles the shares in the capital of the company shall be under the control of the Directors who may issue allot or otherwise dispose of the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. |
| FURTHER ISSUE OF SHARES |
| 1. Where at any time the Board or the Company, as the case may be, proposes to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act and the rules made thereunder: a) To the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer to the conditions mentioned in (i) to (iii) below; (i) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined. Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue; (ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person and the notice referred to in sub-clause (ii) above shall contain a statement of this right; Provided that the Directors may decline, without assigning any reason to allot any shares to any person in whose favor any Member may renounce the shares offered to him. (iii) After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from |

the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company; b) To employees under any scheme of employees' stock option subject to Special Resolution passed by the Company and subject to the rules and such other conditions, as may be prescribed under Applicable Law; or c) to any person(s), if it is authorized by a Special Resolution, whether or not those persons include the persons referred to in Article 1(a) or Article 1(b) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act and the rules made thereunder; 2. Nothing in sub-article (iii) of Article 1 shall be deemed: a) To extend the time within which the offer should be accepted; or b) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favor the renunciation was first made has declined to take the Shares compromised in the renunciation. 3. Nothing in Article 1 shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company: Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in General Meeting. 4. Notwithstanding anything contained in Article 3 hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion: Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit. 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.

(2) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided one certificate for all his shares without payment of any charges or several certificates each for one or more of his shares upon payment of twenty rupees for each certificate after the first. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon. In respect of any share or shares held jointly by several persons the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders

(3) If any share certificate be worn out defaced mutilated or torn or if there be no further space on the back for endorsement of transfer then upon production and surrender thereof to the company a new certificate may be issued in lieu thereof and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

(4) Except as required by law no person shall be recognised by the company as holding any share upon any trust and the company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable contingent future or partial interest in any share or any interest in any fractional part of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

(5) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. The rate or amount of the commission shall not exceed the rate or

amount prescribed in rules made under subsection (6) of section 40. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

(6) If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of section 48 and whether or not the company is being wound up be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

(7) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

(8) Subject to the provisions of section 55 any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may by special resolution determine.

LIEN

(9) The company shall have a first and paramount lien on every share (not being a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share and on all shares (not being fully paid shares) standing registered in the name of a single person for all monies presently payable by him or his estate to the company. Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. The company's lien if any on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

(10) The company may sell in such manner as the Board thinks fit any shares on which the company has a lien. Provided that no sale shall be made unless a sum in respect of which the lien exists is presently payable or until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

(11) To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

(12) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue if any shall subject to a like lien for sums not presently payable as existed upon the shares before the sale be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

(13) The Board may from time to time make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. Each member shall subject to receiving at least fourteen-day notice specifying the time or times and place of payment pay to the company

at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed at the discretion of the Board.

(14) A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

(15) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

(16) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate if any as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.

(17) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date whether on account of the nominal value of the share or by way of premium shall for the purposes of these regulations be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum all the relevant provisions of these regulations as to payment of interest and expenses forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

(18) The Board -

a. may if it thinks fit receive from any member willing to advance the same all or any part of the monies uncalled and unpaid upon any shares held by him and

b. upon all or any of the monies so advanced may (until the same would but for such advance become presently payable) pay interest at such rate not exceeding unless the company in general meeting shall otherwise direct twelve per cent per annum as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

(19) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

(20) The Board may subject to the right of appeal conferred by section 58 decline to register the transfer of a share not being a fully paid share to a person of whom they do not approve or any transfer of shares on which the company has a lien.

(21) The Board may decline to recognise any instrument of transfer unless

a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56

b. the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer and

c. the instrument of transfer is in respect of only one class of shares.

(22) On giving not less than seven days previous notice in accordance with section 91 and rules made thereunder the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine. Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

(23) On the death of a member the survivor or survivors where the member was a joint holder and his nominee or nominees or legal representatives where he was a sole holder shall be the only persons recognised by the company as having any title to his interest in the shares Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

(24) Any person becoming entitled to a share in consequence of the death or insolvency of a member may upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided elect either to be registered himself as holder of the share or to make such transfer of the share as the deceased or insolvent member could have made. The Board shall in either case have the same right to decline or suspend registration as it would have had if the deceased or insolvent member had transferred the share before his death or insolvency.

(25) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share he shall testify his election by executing a transfer of the share. All the limitations restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

(26) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days the Board may thereafter withhold payment of all dividends bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with.

(27) In case of a One Person Company on the death of the sole member the person nominated by such member shall be the person recognised by the company as having title to all the shares of the member the nominee on becoming entitled to such shares in case of the members death shall be informed of such event by the Board of the company such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable on becoming member such nominee shall nominate any other person with the prior written consent of such person who shall in the event of the death of the member become the member of the company.

FORFEITURE OF SHARES

(28) If a member fails to pay any call or instalment of a call on the day appointed for payment thereof the Board may at any time thereafter during such time as any part of the call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued.

(29) The notice aforesaid shall name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made and state that in the event of non-payment on or before the day so named the shares in respect of which the call was made shall be liable to be forfeited.

(30) If the requirements of any such notice as aforesaid are not complied with any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Board to that effect.

(31) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid the Board may cancel the forfeiture on such terms as it thinks fit.

(32) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall notwithstanding the forfeiture remain liable to pay to the company all monies which at the date of forfeiture were presently payable by him to the company in respect of the shares. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

(33) A duly verified declaration in writing that the declarant is a director the manager or the secretary of the company and that a share in the company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The company may receive the consideration if any given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of the transferee shall thereupon be registered as the holder of the share and the transferee shall not be bound to see to the application of the purchase money if any nor shall his title to the share be affected by any irregularity or invalidity in the proceedings

(34) The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time whether on account of the nominal value of the share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

(35) The company may from time to time by ordinary resolution increase the share capital by such sum to be divided into shares of such amount as may be specified in the resolution.

(36) Subject to the provisions of section 61 the company may by ordinary resolution consolidate and divide all or any of its share capital into shares of larger amount than its existing shares convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.

(37) Where shares are converted into stock the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit Provided that the Board may from time to time fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose. The holders of stock shall according to the amount of stock held by them have the same rights privileges and advantages as regards dividends voting at meetings of the company and other matters as if they held the shares from which the stock arose but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not if existing in shares have conferred that privilege or advantage. such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words share and shareholder in those regulations shall include stock and stock-holder respectively.

(38) The company may by special resolution reduce in any manner and with and subject to any incident authorised and consent required by law its share capital any capital redemption reserve account or any share premium account.

CAPITALISATION OF PROFITS

(39) The company in general meeting may upon the recommendation of the Board resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions. The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in clause (iii) either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively 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 partly in

the way specified in sub-clause (A) and partly in that specified in sub-clause (B) A securities premium account and a capital redemption reserve account may for the purposes of this regulation be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

(40) Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares if any and generally do all acts and things required to give effect thereto. The Board shall have power to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of shares becoming distributable in fractions and to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation or as the case may require for the payment by the company on their behalf by the application thereto of their respective proportions of profits resolved to be capitalised of the amount or any part of the amounts remaining unpaid on their existing shares Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

(41) Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

(42) All general meetings other than annual general meeting shall be called extraordinary general meeting.

(43) The Board may whenever it thinks fit call an extraordinary general meeting. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India any director or any two members of the company may call an extraordinary general meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

(44) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as otherwise provided herein the quorum for the general meetings shall be as provided in section 103.

(45) The chairperson if any of the Board shall preside as Chairperson at every general meeting of the company.

(46) If there is no such Chairperson or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting the directors present shall elect one of their members to be Chairperson of the meeting.

(47) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting the members present shall choose one of their members to be Chairperson of the meeting.

(48) In case of a One Person Company the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118 such minutes book shall be signed and dated by the member the resolution shall become effective from the date of signing such minutes by the sole member.

ADJOURNMENT OF MEETING

(49) 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. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When 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. Save as aforesaid and as provided in section 103 of the Act it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

(50) Subject to any rights or restrictions for the time being attached to any class or classes of shares on a show of hands every member present in person shall have one vote and on a poll the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

(51) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

(52) 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. For this purpose seniority shall be determined by the order in which the names stand in the register of members.

(53) A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on a poll vote by proxy.

(54) Any business other than that upon which a poll has been demanded maybe proceeded with pending the taking of the poll.

(55) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

(56) 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. Any such objection made in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.

PROXY

(57) 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.

(58) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105

(59) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given. Provided that no intimation in writing of such death insanity revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

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| <p>(60) The number of the directors shall not be less than three or not more than fifteen. The following shall be the First Directors of the Company</p> |
| <p>i. UTTAMJIT SINGH SABHARWAL</p> |
| <p>ii. RAJINDER RAHEJA</p> |
| <p>iii. AMIT GUPTA</p> |
| <p>iv. BHARMINDER KAUR SABHARWAL</p> |
| <p>v. SATYAN ANAND</p> |
| <p>(61) The remuneration of the directors shall in so far as it consists of a monthly payment be deemed to accrue from day-to-day. In addition to the remuneration payable to them in pursuance of the Act the directors may be paid all travelling hotel and other expenses properly incurred by them in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company or in connection with the business of the company.</p> |
| <p>(62) The Board may pay all expenses incurred in getting up and registering the company.</p> |
| <p>(63) The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.</p> |
| <p>(64) All cheques promissory notes drafts hundis bills of exchange and other negotiable instruments and all receipts for monies paid to the company shall be signed drawn accepted endorsed or otherwise executed as the case may be by such person and in such manner as the Board shall from time to time by resolution determine.</p> |
| <p>(65) Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.</p> |
| <p>(66) Subject to the provisions of section 149 the Board shall have power at any time and from time to time to appoint a person as an additional director provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.</p> |
| <p style="text-align: center;">PROCEEDINGS OF THE BOARD</p> |
| <p>(67) The Board of Directors may meet for the conduct of business adjourn and otherwise regulate its meetings as it thinks fit. A director may and the manager or secretary on the requisition of a director shall at any time summon a meeting of the Board.</p> |
| <p>(68) Save as otherwise expressly provided in the Act questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes the Chairperson of the Board if any shall have a second or casting vote.</p> |
| <p>(69) The continuing directors may act notwithstanding any vacancy in the Board but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum or of summoning a general meeting of the company but for no other purpose.</p> |

(70) The Board may elect a chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the directors present may choose one of their number to be Chairperson of the meeting.

(71) The Board may subject to the provisions of the Act delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.

(72) A committee may elect a chairperson of its meetings. 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.

(73) A committee may meet and adjourn as it thinks fit. 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.

(74) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

(75) Save as otherwise expressly provided in the Act a resolution in writing signed by all the members of the Board or of a committee thereof for the time being entitled to receive notice of a meeting of the Board or committee shall be valid and effective as if it had been passed at a meeting of the Board or committee duly convened and held.

(76) In case of a One Person Company where the company is having only one director all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118 such minutes book shall be signed and dated by the director the resolution shall become effective from the date of signing such minutes by the director.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

(77) Subject to the provisions of the Act A chief executive officer manager company secretary or chief financial officer may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and any chief executive officer manager company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board A director may be appointed as chief executive officer manager company secretary or chief financial officer.

(78) A provision of the Act or these regulations requiring or authorizing 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

(79) The Board shall provide for the safe custody of the seal. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

(80) The company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

(81) 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.

(82) 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. The Board may also carry forward any profits which it may consider necessary not to divide without setting them aside as a reserve.

(83) 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. 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. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

(84) The Board may deduct from any dividend payable to any member all sums of money if any presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

(85) 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. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

(86) Any one of two or more joint holders of a share may give effective receipts for any dividends bonuses or other monies payable in respect of such share.

(87) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

(88) No dividend shall bear interest against the company.

ACCOUNTS

(89) 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. 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.

WINDING UP

(90) Subject to the provisions of Chapter XX of the Act and rules made thereunder If the company shall be wound up the liquidator may with the sanction of a special resolution of the company and any other sanction required by the Act divide amongst the members in specie or kind the whole or any part of the assets of the company whether they shall consist of property of the same kind or not. For the purpose aforesaid the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may with the like sanction vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

(91) Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

Others

92. Dematerialization of shares and other securities (i) For the purposes of this Article: - (a) Beneficial owner means the beneficial owner as defined in clause(a) of sub section (1) of section (2) of the depositories act,1996 (b) Bye Laws means bye laws made by a Depository under section 26 of the depositories act and 1996 the statutory modification time being in force. (c) Depository means a Company formed and registered under the companies acts, 1956 (I of 1956) or Companies Act, 2013 and which has been granted certificate of registration under section 12 (1A) of Securities and Exchange Board of India Act 1992 (15 of 1992). (d) Participant means a person registered as such under Section 12(1A) of Securities and Exchange Board of India Act 1992 (15 of 1992). (e) SEBI means the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act 1992. (f) Security means Security as may be specified by SEBI from time to time (g) Shareholder or member shareholder or Members means the duly registered holder from time to time of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company and also every person holding Equity Shares and or Preference Shares of the Company and also one whose name is entered as a beneficial owner of the shares in the records of a Depository. (i) Words imparting the singular number also include the plural number and vice-versa. Word imparting persons include corporations. Words and expressions used but not defined in the Act but defined the Depositories Act shall have the meanings assigned to them in the Depositories Act. (ii) Notwithstanding anything contained in these Articles the company shall be entitled to dematerialize or rematerialize its shares debentures and other securities (both existing and future) held by it with the Depository and to offer its shares debentures and other securities for subscription in a dematerialized form pursuant to the Depositories Act as amended from time to time and the rules framed there under if any. (iii) (a) Every person subscribing to securities offered by the Company or holding securities of the Company shall have the option to receive the security certificates or to hold securities with a Depository in which event the rights and obligation of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provision of the Depositories Act as amended from time to time or any statutory modification thereto or re-enactment thereof. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository if permitted by law in respect of any security in the manner provided by the Depositories Act and the Company shall in the manner and within the time prescribed issue to the beneficial owner the required certificates of securities. (b) Where a person opts to hold his security with a Depository the Company shall intimate such Depository the details of allotment of the security and on receipt of such information the Depository shall enter in its records the name of the allottees as the beneficial owner of the security. (c) Upon receipt of certificates of securities on surrender by a person holding securities of the Company and who has entered into an agreement with the Depository through a Participant the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities. (iv). (a) These Articles a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner. (b) Save as otherwise provided in (i) above the Depository as a registered owner of the securities shall not have any voting rights or any other right in respect of the securities held by it. (c) Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the Depository shall be deemed to be a member of the

Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a Depository. (v) Notwithstanding anything to the contrary contained in these Articles where the securities are held in a Depository all information including the records of the beneficial ownership and information of the transfer of securities in the name of the beneficial owner may be served by such depository on the Company by means of electronic mode or by delivery of floppies and discs at such intervals and in such manner as may be specified by the Bye-laws and the Company in that behalf. (vi) Option to opt out in respect of any security If a beneficial owner seeks to opt out of a Depository in respect of any security the beneficial owner shall inform the Depository accordingly. The Depository shall on receipt of the intimation as above make appropriate entries in its records and shall inform the Company accordingly. The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulation issue the certificate of securities to the beneficial owner or the transferee as the case may be. (vii) Section 45 and 56 of the Act not to apply Notwithstanding anything to the contrary contained in the Articles: (a) Section 45 of the Act shall not apply to the shares with a Depository. (b) Section 56 of the Act shall not apply to transfer of security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a Depository. (viii) The register and Index of beneficial Owner maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be the Register and Index of Members and Security holders as the case may be for the purposes of these Articles. (ix) Notwithstanding anything contained in the Act or these Articles where securities are dealt with in a Depository the Company shall intimate the details of allotment of securities thereof to the Depository immediately on allotment of such securities. (x) Subject to applicable law no stamp duty would be payable on shares and securities held in dematerialized form in any medium as may be permitted by law including any form of electronic medium. (xi) In case of transfer of shares debentures and other marketable securities where the Company has not issued any certificate and where such shares debentures or securities are being held in an electronic and fungible form in a Depository the provisions of the Depositories Act shall apply. (xii) Save as herein otherwise provided the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as also the beneficial owner of the securities in records of the Depository as the absolute owner thereof as regards to receipt of dividend or bonus or service of notices and all or any other matters connected with the Company and accordingly the Company shall not except as ordered by a Court of competent jurisdiction or as by law required be bound to recognize any benami trust of equity or equitable contingent or other claim to or interest in such security 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 on the part of any other person whether or not it shall have express or implied notice thereof but the Board shall be entitled at their sole discretion to register any share in the joint names of any two or more persons or the survivors or survivors of them. (xiii) Except as specifically provided in these Articles the provisions relating to joint holders of shares calls lien on shares forfeiture of shares and transfer and transmission of shares and other provisions relating to securities of the Company shall be applicable to shares held in Depository so far as they apply to Shares securities in physical form subject however to the provisions of the Depositories Act. Provided that nothing contained in this Articles shall apply to the transfer of shares debentures or other marketable securities effected by the transferor and the transferee both of whom are entered as beneficial owners in the record of the Depository.

Note: We confirm that there are no material clauses of Article of Association that have been left out from disclosure having bearing on the Issue.

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SECTION X- OTHER INFORMATION**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Red Herring Prospectus to be delivered to the ROC for filing and the documents for inspection referred to hereunder, may be inspected at the Registered office: SCO 166-167, Level-1, Sector 9C, Madhya Marg, Chandigarh, India, 160009 this Draft Red Herring Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m. from Bid/Issue Opening Date until the Bid/Issue Closing Date.

MATERIAL CONTRACTS

1. Issue Agreement/ Memorandum of Understanding dated [•] between our company and the Lead Manager.
2. Agreement dated [•] between our company and the Registrar to the Issue.
3. Escrow Agreement dated [•] among our Company, the Lead Manager, The Banker to the Issue/Public Issue Bank/Sponsor Bank, and the Registrar to the Issue.
4. Underwriting Agreement dated [•] between our company and the Underwriters.
5. Market making Agreement dated [•] between our company, the Lead Manager and the Market Maker.
6. Agreement among NSDL, our Company and the Registrar to the Issue dated February 01, 2024.
7. Agreement among CDSL, our Company and the Registrar to the Issue dated January 25, 2024

MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated [•] in relation to the Issue and other related matters.
3. Shareholders' resolution dated [•] in relation to the Issue and other related matters.
4. Resolution of the Shareholders dated January 01, 2024 approving the remuneration of Mr. Uttamjit Singh Sabharwal as Managing Director.
5. Resolution of the Board of Directors dated January 01, 2024 approving the appointment of Ms. Bharminder Kaur Sabharwal as the Chairman of the Company.
6. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Lead Manager, Registrar to the Issue, Peer review Auditor, Legal Advisor to the Issue, Market Maker and Bankers to our Company to act in their respective capacities.
7. Peer Review Auditors Report dated August 01, 2024 on Restated Financial Statements of our Company for the years ended March 31, 2024, 2023 and 2022.
8. The Report dated August 05, 2024 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Red Herring Prospectus.
9. The Report dated 26.08.2024 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
10. A project report titled "Tecno Economic Viability" dated July 17, 2024, issued by Mukaty and Associates.
11. Due diligence certificate submitted to NSE Emerge dated September 27, 2024 from Lead Manager to the Issue.
12. Peer Review Auditors Certificate for the Key performance Indicators dated August 05, 2024.
13. Resolution of the Board of Directors dated August 01, 2024 approving the Draft Red Herring Prospectus
14. Resolution dated 05.08.2024 passed by the Audit Committee approving the key performance indicators for disclosure.

15. Copy of the certificate of the key performance indicators of the Company dated 05.08.2024.
16. Copy of approval from NSE Emerge vide letter dated [•] to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
17. In-principle listing approvals dated [●] issued by National Stock Exchange of India Limited.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

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SECTION XI: DECLARATION

We certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft red herring prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this draft Red Herring prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

| NAME OF DIRECTOR | SIGNATURE |
|---|------------------|
| Mr. Uttamjit Singh Sabharwal DIN: 08117764 Designation: Managing Director | Sd/- |
| Mr. Amit Gupta DIN: 08117712 Designation: Whole Time Director | Sd/- |
| Mr. Rajinder Raheja DIN: 08117763 Designation: Whole Time Director | Sd/- |
| Mr. Satyan Anand DIN: 00370069 Designation: Whole Time Director | Sd/- |
| Ms. Bharminder Kaur Sabharwal DIN: 10448677 Designation: Non-Executive Director | Sd/- |
| Mr. Govind Shanker Pandey DIN: 06693476 Designation: Non-Executive Independent Director | Sd/- |
| Mr. Rahul Malhotra DIN: 08450966 Designation: Non-Executive Independent Director | Sd/- |
| Mr. Shitij Sharma DIN: 09718632 Designation: Non-Executive Independent Director | Sd/- |

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

Sd/-

Ms. Shweta**SIGNED BY THE CHIEF FINANCIAL OFFICER (CFO)**

Sd/-

Mr. Amit Gupta**Date: September 28, 2024****Place: Chandigarh**