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HEMANT SURGICAL INDUSTRIES LIMITED
CIN: U33110MH1989PLC051133

Registered Office	Contact Person	Email and Telephone	Website
502, 5th Floor, Ecstasy Business Park, Co-Op Society Limited, J.S.D. Road, Mulund (West), Mumbai – 400 080, India	Mrs. Meenal Ajmera Company Secretary & Compliance Officer	E-mail: cs@hemantsurgical.com Tel No: 022-25915289/ 022-25912747	Website: www.hemantsurgical.com

PROMOTERS OF THE COMPANY

Hanskumar Shamji Shah, Kaushik Hanskumar Shah and Hemant Praful Shah

DETAILS OF THE ISSUE

Type	Fresh Issue Size (In ₹ Lakhs)	OFS Size (by No. of shares or by amount in ₹)	Total Issue Size	Eligibility
Fresh Issue	27,60,000 Equity Shares aggregating to ₹2484.00 Lakhs	Nil	₹ 2484.00Lakhs	THIS ISSUE IS BEING MADE IN TERMS OF REGULATION 229 AND 253(1) OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price 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 by way of the Book Building Process, as stated under “*Basis for Issue Price*” on page 75 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section “*Risk Factors*” beginning on page 24 of this Prospectus.


ISSUER’S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to the Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this 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 the Prospectus are proposed to be listed on the SME Platform of BSE (BSE SME) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited (“BSE”)

BOOK RUNNING LEAD MANAGER

Name and Logo	Contact Person	Email & Telephone
 HEM SECURITIES LIMITED	Mrs. Roshni Lahoti	Email: ib@hemsecurities.com Tel. No.: +91-022-49060000

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 Bigshare Services Pvt. Ltd. BIGSHARE SERVICES PRIVATE LIMITED	Mr. Vinayak Morbale	Email: ipo@bigshareonline.com Tel No: +91 22 6263 8200

BID/ ISSUE PROGRAMME

ANCHOR PORTION ISSUE OPENED ON: TUESDAY, MAY 23, 2023	BID/ ISSUE OPENED ON: WEDNESDAY, MAY 24, 2023	BID/ ISSUE CLOSED ON: FRIDAY, MAY 26, 2023
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The Anchor Investor Bid/ Issue date was on Tuesday, May 23, 2023 one Working Day prior to the Bid/ Issue Opening Date.

**HEMANT SURGICAL INDUSTRIES LIMITED**

CIN: U33110MH1989PLC051133

Our Company was originally incorporated as “Hemant Surgical Industries Private Limited” vide Certificate of Incorporation dated March 27, 1989, bearing registration No. 051133 issued by Registrar of Companies, Maharashtra, Mumbai and CIN No. U33110MH1989PTC051133. Subsequently our Company was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on January 24, 1994 and consequently the name of our Company was changed from “Hemant Surgical Industries Private Limited” to “Hemant Surgical Industries Limited” vide fresh Certificate of Incorporation granted to our Company consequent upon conversion into public limited company dated February 22, 1994 by the Registrar of Companies, Mumbai bearing Corporate Identification Number U33110MH1989PLC051133.

Registered Office: 502, 5th Floor, Ecstasy Business Park, Co-Op Society Limited, J.S.D. Road, Mulund (West), Mumbai – 400 080, India.

Contact Person: Mrs. Meenal Ajmera, Company Secretary & Compliance Officer

Tel No: 022-25915289/ 022-25912747; **E-mail:** cs@hemantsurgical.com; **Website:** www.hemantsurgical.com

Promoters of our Company: Hanskumar Shamji Shah, Kaushik Hanskumar Shah, Hemant Praful Shah

DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF 27,60,000 EQUITY SHARES OF FACE VALUE OF RS.10/- EACH (THE "EQUITY SHARES") OF HEMANT SURGICAL INDUSTRIES LIMITED ("OUR COMPANY" OR "HSIL" OR "THE ISSUER") AT AN ISSUE PRICE OF RS. 90/- PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ 2484.00 LAKHS ("PUBLIC ISSUE") OUT OF WHICH 1,44,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH, AT AN ISSUE PRICE OF ₹ 90/- PER EQUITY SHARE FOR CASH, AGGREGATING ₹ 129.60 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 26,16,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH, AT AN ISSUE PRICE OF ₹ 90/- PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ 2354.40 LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.44% AND 25.06% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

**Subject to finalization of Basis of Allotment.*

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10/- EACH. THE ISSUE PRICE IS 9.0 TIMES WITH THE FACE VALUE OF THE EQUITY SHARES. THE ANCHOR INVESTOR ISSUE PRICE IS RS. 90 PER EQUITY SHARE. THE PRICE BAND AND THE MINIMUM BID LOT WERE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WERE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER, "BUSINESS STANDARD", ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER, "BUSINESS STANDARD" AND MARATHI EDITION OF THE REGIONAL NEWSPAPER "PRATAHKAL", WHERE OUR REGISTERED OFFICE IS LOCATED, EACH WITH WIDE CIRCULATION, AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE AND WERE MADE AVAILABLE TO BSE LIMITED ("BSE"), REFERRED TO AS THE "DESIGNATED STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI (ICDR) REGULATIONS").

The Issue was made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50 % of the Net Issue was available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), Our Company, in consultation with the Book Running Lead Managers, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"). Further, not less than 15% of the Net Issue was made available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue was made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) were required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors were not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" beginning on page 224 of this Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page 224 of this Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Issue Price" on page 75 of this Prospectus should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 24 of this Prospectus.


ISSUER'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to the Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this 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 this Prospectus are proposed to be listed on the SME Platform of BSE (BSE SME) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited.

BOOK RUNNING LEAD MANAGER TO THE ISSUE


HEM SECURITIES LIMITED
904, A Wing, Naman Midtown, Senapati Bapat Marg,
Elphinstone Road, Lower Parel, Mumbai-400013, India
Tel. No.: +91- 022- 49060000; **Fax No.:** +91- 022- 22625991
Email: ib@hemsecurities.com
Investor Grievance Email: redressal@hemsecurities.com
Website: www.hemsecurities.com
Contact Person : Mrs. Roshni Lahoti
SEBI Regn. No. INM000010981

REGISTRAR TO THE ISSUE


Bigshare Services Pvt. Ltd.
BIGSHARE SERVICES PRIVATE LIMITED
Address: S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093, India.
Tel No.: +91 22 6263 8200
Facsimile: +91 22 6263 8299
Email: ipo@bigshareonline.com
Contact Person: Mr. Vinayak Morbale
Website: www.bigshareonline.com
SEBI Registration Number: MB/INR000001385

ISSUE PROGRAMME

ANCHOR PORTION ISSUE OPENED ON:
TUESDAY, MAY 23, 2023

BID/ ISSUE OPENED ON:
WEDNESDAY, MAY 24, 2023

BID/ISSUE CLOSED ON:
FRIDAY, MAY 26, 2023

The Anchor Investor Bid/ Issue date was on Tuesday, May 23, 2023 one Working Day prior to the Bid/ Issue Opening Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This 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 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 the sections “Statement of Special Tax Benefits”, “Financial Information of the Company” and “Main Provisions of the Articles of Association” on page 81, 136 and 247 respectively, shall have the meaning ascribed to such terms in such sections.

General Terms

Term	Description
“Hemant Surgical Industries Limited”, “HSIL”, “the Company”, “Our Company”, “The Issuer”	Hemant Surgical Industries Limited, a Company incorporated in India under the Companies Act, 1956 having its registered office at 502, 5th Floor, Ecstasy Business Park, Co-Op Society Limited, J.S.D. Road, Mulund (West), Mumbai – 400 080, India
“we”, “us” and “our”	Unless the context otherwise indicates or implies refers to our Company
“you”, “your” or “yours”	Investors in this Issue

Company related and Conventional terms

Term	Description
AOA/ Articles/ Articles of Association	Articles of Association of our Company, as amended from time to time.
Audit Committee	The Audit Committee of our Board constituted in accordance with Section 177 of the Companies Act and as described in the chapter titled “ Our Management ” beginning on page 119 of this Prospectus.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company being M/s. A D V & Associates, Chartered Accountants (Firm Registration No. 128045W)
Bankers to our Company	Bank of Baroda
Board of Directors/ the Board/ our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “ Our Management ” beginning on page 119 of this Prospectus.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Kaushik Hanskumar Shah
CIN	Corporate Identification Number being U33110MH1989PLC051133
Companies Act/ Act	The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as applicable.
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Meenal Ajmera (Membership No. F10965)
Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being, 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 119 of this Prospectus.
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996.
DP ID	Depository’s Participant’s Identity Number
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company.
Equity Shares	Equity Shares of the Company of face value of ₹ 10/- each unless otherwise specified in the context thereof.

Term	Description
Executive Directors	An Executive Director of our Company, as appointed from time to time.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
GIR Number	General Index Registry Number.
Group Company	Such Companies as are included in the Chapter titled “Our Group Companies” beginning on page 200 of this Prospectus
HNI	High Net worth Individual
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details, see section titled “Our Management” on page 119 of this Prospectus.
ISIN	International Securities Identification Number. In this case being INE0GYI01028
IT Act	The Income Tax Act, 1961 as amended till date.
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations, Section 2(51) of the Companies Act, 2013. For details, see section titled “Our Management” on page 119 of this Prospectus.
LLP	Limited Liability Partnership incorporated under Limited Liability Partnership Act, 2008.
MOA/ Memorandum/ Memorandum of Association	Memorandum of Association of Hemant Surgical Industries Limited as amended from time to time.
Materiality Policy	The policy adopted by our Board on January 04, 2023 for identification of Group Companies, material outstanding litigation and material outstanding dues to creditors, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled “Our Management” beginning on page 119 of this Prospectus.
Non-Executive Director	The non-executive directors (other than the Independent Directors) of our Company in terms of the Companies Act, and the rules thereunder. For details, see section titled “Our Management” on page 119 of this Prospectus.
NRIs/ Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act, 1999 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.
Person or Persons	Any Individual, Sole Proprietorship, Unincorporated Association, Unincorporated Organization, Body Corporate, Corporation, Company, Partnership, Limited Liability Company, Joint Venture, or Trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoter(s)	Shall mean promoters of our Company i.e. Hanskumar Shamji Shah, Kaushik Hanskumar Shah and Hemant Praful Shah. For further details, please refer to section titled “Our Promoters & Promoter Group” beginning on page 131 of this Prospectus.
Promoter Group	Includes such Persons and companies constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section “Our Promoters and Promoter Group” beginning on page 131 of this Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	The Registered Office of our Company situated at 502, 5th Floor, Ecstasy Business Park, Co-Op Society Limited, J.S.D. Road, Mulund (West), Mumbai – 400 080, India
Reserve Bank of India/ RBI	Reserve Bank of India constituted under the RBI Act, 1934.
Restated Financial Information	The Restated Financial statements of our Company comprising of the Restated Statement of Assets and Liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021 and the Restated Profit & Loss Account and Restated Cash Flows for the period ended March 31, 2023, March 31, 2022 and March 31, 2021 of 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.

Term	Description
RoC/ Registrar of Companies	Registrar of Companies, Mumbai
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and regulation 20 of SEBI (Listing obligations and disclosure requirements) regulations 2015 as described in the chapter titled " <i>Our Management</i> " beginning on page 119 of this Prospectus
Stock Exchange	Unless the context requires otherwise, refers to, "BSE SME"
Shareholders	Shareholders of our Company from time to time.
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscribers to MOA & AOA being Hanskumar Shamji Shah and Jagdish A. Dharmsey

Issue Related Terms

Terms	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a bidder as proof of registration of the Application.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful bidders.
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee (s)	A successful bidder to whom the Equity Shares are allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	Rs. 90/- per equity share, the price at which Equity Shares were made available for allocation to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which was decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Anchor Investor Bid/ Issue Period	May 23, 2023, being one Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors was submitted and allocation to the Anchor Investors was completed.
Anchor Investor Issue Price	Rs. 90/- per equity share being the final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and this Prospectus
Anchor Investor Portion	Up to 60% of the QIB Portion consisting of 7,82,400* Equity Shares which were 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. <i>*Subject to finalization of the Basis of Allotment</i>
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorise an SCSB to block the Bid Amount in the ASBA Account and includes applications made by RIIs using the UPI Mechanism where the Bid amounts were blocked by the SCSB upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	Account maintained by ASBA Bidder with an SCSB which were blocked by such SCSB to the extent of the appropriate bid amount in relation to a Bid by an ASBA Bidder
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
ASBA Bidder	All Bidder except Anchor Investor.
ASBA Form/ Bid cum Application	An Application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which were considered as the application for Allotment in terms of the Red Herring Prospectus or this Prospectus.
Banker to the Issue Agreement	Agreement dated May 09, 2023 entered into amongst the Company, Book Running Lead

	Manager, the Registrar, Sponsor Bank and the Banker to the Issue.
Bankers to the Issue/ Public Issue Bank/ Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account has been opened, in this case being Axis Bank Limited.
Basis of Allotment	The basis on which the Equity Shares is Allotted to successful bidders under the issue and which is described in the chapter titled “ <i>Issue Procedure</i> ” beginning on page 224 of this Prospectus.
Bid	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares 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 Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid Lot	1,600 equity shares and in multiples of 1,600 equity shares thereafter.
Bid/ Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, May 26, 2023
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, May 24, 2023
Bid/ Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between May 24, 2023 and May 26, 2023, inclusive of both days
Bidder/ Investor	Any investor who has made a bid pursuant to the terms of the Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor
Bidding	The process of making a Bid.
Bidding/ Collection Centers	Centers at which the Designated intermediaries accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process/ Book Building Method	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
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue in this case being Hem Securities Limited, SEBI Registered Category I Merchant Banker.
Broker Centres	Broker Centres notified by the Stock Exchanges, where the 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 or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	Rs. 90/- per Equity Share
Client Id	Client Identification Number maintained with one of the Depositories in relation to Demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut Off Price	Issue Price, that is Rs. 90/- per Equity Share finalised by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the

	applicants father/husband, investor status, Occupation and Bank Account details.
Depositor/ Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-Cum-Application Forms are available on the website of the Stock Exchange i.e. www.bseindia.com
Designated Date	The date on which the funds from the Anchor Escrow Accounts, the funds blocked by the SCSBs and Sponsor Bank are transferred from ASBA Accounts specified by the ASBA Bidder to the Public Issue Account and/or Refund Account and/or are unblocked, as applicable in terms of Red Herring Prospectus
Designated Intermediaries/ Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Market Maker	Hem Finlease Private Limited
Designated RTA Locations	Such locations of the RTAs where Bidder can submit the Bid-Cum-Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid-Cum-Application Forms are available on the websites of the Stock Exchange i.e. www. bseindia.com.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Ltd. ("SME Exchange") ("BSE SME")
DP ID	Depository's Participant's Identity Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated May 05, 2023 filed with BSE SME
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Prospectus will constitute an invitation to subscribe for the Equity Shares.
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.
Escrow Account(s)	The account(s) opened with the Escrow Collection Bank and in whose favour the Anchor Investors transferred money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Bidder/ Applicant/ Bidders	Bidder(s) whose name have been mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor 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 Investor	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
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the

	Fugitive Economic Offenders Act, 2018.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document (GID)	The General Information Document for investing in public issues, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the UPI Circulars. The General Information Document shall be available on the websites of the Stock Exchanges, and the Book Running Lead Managers.
Issue Agreement	The Issue Agreement dated May 05, 2023 between our Company and Book Running Lead Manager, Hem Securities Limited.
Issue Price	Rs. 90/- per Equity Share i.e. the final Price at which the Equity Shares will be allotted in terms of this Prospectus as determined by our company in consultation with BRLM
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 68 of this Prospectus
Issue/ Public Issue/ Issue size/ Initial Public Issue/ Initial Public Offering/ IPO	The Initial Public Issue of 27,60,000 Equity shares of ₹ 10/- each at issue price of ₹ 90/- per Equity share, including a premium of ₹ 80/- per equity share aggregating to ₹ 2,484.00 lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	1,600 Equity Shares
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker Reservation Portion	The reserved portion of 1,44,000 Equity Shares of ₹10 each at an Issue price of ₹ 90/- each is aggregating to ₹ 129.60 Lakhs to be subscribed by Market Maker in this issue.
Market Making Agreement	The Market Making Agreement dated May 05, 2023 between our Company, Book Running Lead Manager and Market Maker, Hem Finlease Private Limited.
Mutual Fund Portion	5% of the Net QIB Portion, (other than anchor allocation),, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 26,16,000 equity Shares of ₹10/- each at a price of ₹ 90/- per Equity Share (the “Issue Price”), including a share premium of ₹ 80/- per equity share aggregating to ₹ 2,354.40 Lakhs.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled “ <i>Objects of the Issue</i> ” beginning on page 68 of this Prospectus.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Non- Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Non-Institutional Bidders	All Bidders that are not QIBs, RIBs, for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue, consisting of 3,93,600 Equity Shares, which were made available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Issue Price.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.

Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/ or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band/ Issue Price	Price Band of a minimum price (Floor Price) of ₹ 85/- and the maximum price (Cap Price) of ₹ 90/- and includes revisions thereof. The Price Band was decided by our Company in consultation with the BRLM and was advertised in all editions of the English national newspaper "Business Standard", all editions of Hindi national newspaper "Business Standard" and Marathi Edition of Regional newspaper "Pratahkal", at least two working days prior to the Bid/ Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalized the Issue Price.
Prospectus	This Prospectus dated May 30, 2023, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013, containing, inter alia, the Issue Price, size of the Issue and certain other information.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of 13,05,600 Equity Shares aggregating to ₹1,175.04 lakhs which were made available for allocation to QIBs (including Anchor Investors) on a proportionate basis, (in which allocation to Anchor Investor were made available on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addenda or corrigenda thereto. The Red Herring Prospectus was filed with the RoC at least three Working Days before the Bid/Issue Opening Date and has become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account has been opened, in this case being Axis Bank Limited.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable.
Registered Broker	The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids
Registrar Agreement	The agreement dated May 05, 2023 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue, in this case being Bigshare Services Private Limited.
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended from time to time.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Retail Individual Bidders/ RIBs/ Retail Individual Investors/ RIIs	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ 2,00,000/- in any of the bidding options in the Net Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).

Retail Portion	The portion of the Issue being not less than 35% of the Net Issue, consisting of 9,16,800 Equity Shares, which was made available for allocation to Retail Individual Bidders (subject to valid Bids having been received at or above the Issue Price)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid Cum Application Forms or any previous Revision Form(s), as applicable. QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Act/ SEBI	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
Self-Certified Syndicate Bank(s) / SCSB(s)	Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (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 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.
SME Exchange	SME Platform of the BSE i.e. BSE SME.
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI (https://www.sebi.gov.in/) and updated from time to time.
Specified Securities	Equity shares offered through this Prospectus.
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 (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.
Sub Syndicate Member	A SEBI Registered member of BSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.
Syndicate Agreement	The agreement dated May 09, 2023 entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Hem Finlease Private Limited.
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated May 05, 2023 entered between the Underwriter, BRLM and our

	Company.
UPI	UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, 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/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request/ Mandate Request	A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
UPI Mechanism	The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues
UPI PIN	Password to authenticate UPI transaction
Venture Capital Fund/ VCF	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.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.
Working Day	In accordance with Regulation 2(1) (mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and (b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Technical and Industry Related Terms

Term	Description
AB-HWCs	Ayushman Bharat-Health and Wellness Centres
AB-PMJAY	Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana
ABHA	Ayushman Bharat Health Account
AE	Advanced Economy
AIIMS	All India Institute of Medical Sciences
AMSL	Allengers Medical Systems Limited
AMRUT	Atal Mission For Rejuvenation and Urban Transformation
ANDAs	Abbreviated New Drug Applications
AOPL	Allengers OEM Private Limited
ARR	Annual Recurring Revenue
ARTIST	Asian Research and Training Institute for Skill Transfer
B2B	Business to Business
CDSCO	Central Drugs Standard Control Organisation
CDL	Central Drugs Laboratory

CE	The Conformite Europeenne
CoE	Centres of Excellence
CVD	Cardiovascular Diseases
DCGI	Drug Controller General of India
ECG	Electrocardiography
EME	Emerging Market Economies
FDA	United States Food and Drug Administration
GMP	Good Manufacturing Practice
IIT	Indian Institutes of Technology
HFI	High-Frequency Indicator
IMI	Intensified Mission Indradhanush
ISMR	Indian Council of Medical Research
ISO	International Organization for Standardization
JMS	Japan Medical Supply
KVA	Kilovolt-ampere
Ltr	Litres
MOHFW	Ministry of Health and Family Welfare
MoU	Memorandum of Understanding
MRI	Magnetic Resonance Imaging
NABL	National Accreditation Board for Testing and Calibration Laboratories
NAFDAC	National Agency for Food & Drug Administration
NCDs	Non-Communicable Diseases
NDHM	National Digital Health Mission
NHM	National Health Mission
NHS	National Health Service
NNM	National Nutrition Mission
OPD	Out Patient Department
OT	Operation Theatre
PCS	Pieces
PLI	Production-linked Incentive Scheme
PM-ABHIM	PM Ayushman Bharat Health Infrastructure Mission
PMJAY	Pradhan Mantri Jan Arogya Yojana
PMSSY	Pradhan Mantri Swasthya Suraksha Yojana
PPE	Personal Protective Equipment
QC	Quality Control
RM	Raw Material Store
RO	Reverse Osmosis
SeHAT	Services e-Health Assistance & Tele-consultation
SS	Stainless Steel
STN	State Telemedicine Network
SQM	Square meter
UF	Ultrafiltration
UK	United Kingdom
USG	Ultrasound Sonography
VC	Venture Capital
WHO	World Health Organization

Conventional terms and Abbreviations

Abbreviation	Full Form
Rs./ Rupees/ INR/ ₹	Indian Rupees, the legal currency of the Republic of India
AS/ Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
FCS	Fellow Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India

	(Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B.A	Bachelor of Arts
B.Com	Bachelor of Commerce
B.E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee/ Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BRLM	Book Running Lead Manager
BSE	BSE Ltd.
CA	Chartered Accountant
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CB	Controlling Branch
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CIT	Commissioner of Income Tax
Companies Act, 2013	Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder
C.P.C.	Code of Civil Procedure, 1908
CrPC	Code of Criminal Procedure, 1973
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CSR	Corporate Social Responsibility
CST	Central Sales Tax
CWA/ ICWA/ICMAI	The Institute of Cost Accountant of India
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act, 1952
EMI	Equated Monthly Instalments
EPS	Earnings Per Share
EGM/ EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY/ Fiscal/ Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India

FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992
FTA	Foreign Trade Agreement
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Finance Act	Finance Act, 1994
Fraudulent Borrower	A fraudulent borrower as defined in Regulation 2(1)(III) of the SEBI ICDR Regulations.
FV	Face Value
Go/ Government	Government of India
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
HSL	Hem Securities Limited
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
IMF	International Monetary Fund
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IT	Information Technology
IT Act	InformationTechnologyAct,2000
IFRS	International Financial Reporting Standards
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
Ltd.	Limited
LLP	Limited Liability Partnership
MAT	Minimum Alternate Tax
MAPIN	Market Participants and Investors Database
MCA	Ministry of Corporate Affairs, Government of India
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
Mn	Million
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MSME	Micro, Small and Medium Enterprises
NA	Not Applicable
NCLT	National Company Law Tribunal
Net worth	The aggregate of paid-up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NCT	National Capital Territory

NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue.
P.A.	Per Annum
PF	Provident Fund
PLR	Prime Lending Rate
PAC	Persons Acting in Concert
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
P.O.	Purchase Order
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Q.C.	Quality Control
RoC	Registrar of Companies
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SME	Small and Medium Enterprises
SCSB	Self-Certified syndicate Banks
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI (PFUTP) Regulations/ PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI Regulations/ SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI Takeover Regulations/ Takeover Regulations/ Takeover	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

Code	
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SEBI	Securities and Exchange Board of India
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Sec.	Section
SENSEX	Bombay Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SSI	Small Scale Industry
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
Trade Marks Act	Trade Marks Act, 1999
TIN	Taxpayers Identification Number
UIN	Unique Identification number
U.N.	United Nations
US/ United States	United States of America
U.S. Securities Act	The United States Securities Act, 1933
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCF	Venture Capital Funds
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be.
Wilful Defaulter(s)	Company or person categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose directors or promoters is categorised as such and as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.
WDV	Written Down Value
WTD	Whole Time Director
w.e.f.	With effect from
-, (₹)	Represent Outflow

The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “*Main Provisions of the Articles of Association*”, “*Statement of Special Tax Benefits*”, “*Industry Overview*”, “*Regulations and Policies in India*”, “*Financial Information of the Company*”, “*Outstanding Litigations and Material Developments*” and “*Issue Procedure*”, will have the meaning ascribed to such terms in these respective sections.

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

Certain Conventions

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, unless the context otherwise indicates or implies, refers to Hemant Surgical Industries Limited. All references in the Prospectus to “India” are to the Republic of India. All references in the Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

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

Use of Financial Data

Unless stated otherwise, throughout this Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Prospectus is derived from our restated financial information prepared for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Financial Information of the Company*” beginning on page 136 of this Prospectus.

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

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in the Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Peer Review Auditor, set out in section titled “*Financial Information of the Company*” beginning on page 136 of this Prospectus. As on date of the Prospectus we don’t have any subsidiaries. Our fiscal year commences on April 1 of every year and ends on March 31 of every next year.

For additional definitions used in this Prospectus, see the section “*Definitions and Abbreviations*” on page 1 of this Prospectus. In the section titled “*Main Provisions of the Articles of Association*”, on page 247 of the Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

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

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled “*Basis for Issue Price*” on page 75 of the Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

Currency of Financial Presentation

All references to “Rupees” or “INR” or “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled “*Industry Overview*” throughout the Prospectus all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” on page 24, 94 and 178 respectively of this Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

The Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations, 2018. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

FORWARD LOOKING STATEMENTS

This Prospectus includes certain “forward-looking statements”. We have included statements in the Prospectus which contain words or phrases such as “will”, “aim”, “is likely to 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, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in consumer demand and preferences;
3. Failure to successfully upgrade our product portfolio, from time to time;
4. Any change in government policies resulting in increases in taxes payable by us;
5. Increased competition in the industry in which we operate;
6. Our ability to retain our key managements persons and other employees;
7. Changes in laws and regulations that apply to the industries in which we operate.
8. Our failure to keep pace with rapid changes in technology;
9. Our ability to grow our business;
10. Our ability to maintain our relationships with domestic as well as foreign vendors and their inability to meet our products specifications and supply our products in timely manner;
11. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
12. General economic, political and other risks that are out of our control;
13. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
14. Exchange rate fluctuations in various currencies in which we do business;
15. Company’s ability to successfully implement its growth strategy and expansion plans;
16. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
17. Inability to successfully obtain registrations in a timely manner or at all;
18. Occurrence of Environmental Problems & Uninsured Losses;
19. Conflicts of interest with affiliated companies, the promoter group and other related parties;
20. Any adverse outcome in the legal proceedings in which we are involved;
21. Concentration of ownership among our Promoters;
22. The performance of the financial markets in India and globally;
23. Impact of covid-19 on our business and operations; and
24. Global distress due to pandemic, war or by any other reason.

For further discussion of factors that could cause our actual results to differ, see the Section titled “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page 24, 94 and 178 respectively of the Prospectus. 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.

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

Neither our Company or our Directors or our Officers or Book Running Lead Manager or Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SECTION II – SUMMARY OF PROSPECTUS

A. OVERVIEW OF BUSINESS

Our company is engaged in the business of manufacturing, importing, assembling and marketing a comprehensive portfolio of medical equipment and disposables. Our product offerings cover a wide spectrum of equipment and disposables required for (i) Renal Care, (ii) cardiovascular disease (iii) respiratory disease (iv) Critical Care and Radiology and (v) surgical disposables. Our wide range of products includes some of the indigenously manufactured products along with some other products that are imported from countries like: Japan, China and France, Australia and are further processed in our assembly units.

B. OVERVIEW OF THE INDUSTRY

The Indian market for medical equipment is predicted to increase to US\$ 50 billion by 2025. India is the 4th largest Asian medical devices market after Japan, China, and South Korea, and among the top 20 medical devices markets globally.

The Indian healthcare sector is expected to record a three-fold rise, growing at a CAGR of 22% between 2016- 22 to reach US\$ 372 billion in 2022 from US\$ 110 billion in 2016. As of August 23, 2022, more than 210.31 crore COVID-19 vaccine doses have been administered across the country. The e-health market size is estimated to reach US\$ 10.6 billion by 2025.

C. PROMOTERS

Hanskumar Shamji Shah, Kaushik Hanskumar Shah and Hemant Praful Shah

D. DETAILS OF THE ISSUE

This is an Initial Public Issue of 27,60,000 Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ 90/- per Equity Share (including a share premium of ₹ 80/- per Equity Share) aggregating to ₹ 2,484.00 lakhs (“**The Issue**”), out of which 1,44,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ 90/- per Equity Share aggregating up to ₹129.60 Lakhs will be reserved for subscription by the market maker to the issue (the “**Market Maker Reservation Portion**”). The Issue less Market Maker Reservation Portion i.e. Issue of 26,16,000 Equity Shares of face value of ₹ 10 each, at an issue price of ₹ 90/- per Equity Share for cash, aggregating to ₹ 2,354.40 lakhs is hereinafter referred to as the “**Net Issue**”. The Issue and Net Issue will constitute 26.44 % and 25.06 % respectively of the post- issue paid-up Equity Share capital of our Company.

E. OBJECTS OF THE ISSUE

Our Company intends to utilize the Proceeds of the Issue to meet the following objects:-

(₹ In Lakhs)

Sr. No	Particulars	Amt (Rs. in Lacs)
1.	Funding Capital Expenditure towards installation of additional plant and machinery.	751.26
2.	Funding to meet working capital requirements	1000.00
3.	General Corporate Purpose	418.86
	Total	2170.12

F. PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Our Promoters and Promoter Group collectively hold 76,80,000 Equity shares of our Company aggregating to 100.00% of the pre-issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Prospectus: -

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoters				
1.	Hanskumar Shamji Shah	35,26,400	45.92	35,26,400	33.78
2.	Kaushik Hanskumar Shah	21,03,120	27.38	21,03,120	20.14
3.	Hemant Praful Shah	17,34,080	22.58	17,34,080	16.61
	Sub Total (A)	73,63,600	95.88	73,63,600	70.53
	Promoter Group				
4.	Naman Hemant Shah	95,200	1.24	95,200	0.91
5.	Leena Hanskumar Shah	87,920	1.14	87,920	0.84
6.	Neha Hanskumar Shah	77,760	1.02	77,760	0.74

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
7.	Neha Hemant Shah	55,520	0.72	55,520	0.53
	Sub Total (B)	3,16,400	4.12	3,16,400	3.03
	Grand Total (A+B)	76,80,000	100.00	76,80,000	73.56

SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the restated financial statements for the financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021:-

(₹ in Lakhs)				
Sr. No.	Particulars	March 31, 2023	March 31, 2022	March 31, 2021
1.	Paid up Share Capital	768.00	200.00	200.00
2.	Net worth	2359.90	1298.01	836.61
3.	Total Net Revenue (Operations)	10914.82	10,357.00	5,976.46
4.	Profit After Tax	765.11	461.40	114.53
5.	Earnings Per Share – Basic	10.28	8.96	2.22
6.	Earnings Per Share – Diluted	10.28	8.96	2.22
7.	NAV per Equity Shares	30.73	65.74	42.67
8.	NAV per Equity Shares (after giving effect of Bonus Issue)	31.70	25.54	16.58
9.	Total Borrowings (As per Restated Balance Sheet)	711.92	973.80	1446.35

G. AUDITOR QUALIFICATIONS

There are no audit qualifications which have not been given effect in the restated financial statements.

H. SUMMARY OF OUTSTANDING LITIGATIONS

Our Board, in its meeting held on January 04, 2023 determined that outstanding legal proceedings involving the Company, its Directors and Promoter will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last restated financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

Litigations/ Matters involving our Company:

Nature of Litigation	Number of Cases Outstanding	(Rs. in lakhs)
		Amount in dispute/demanded to the extent ascertainable (Amount in Lacs)
<i>Against the Company</i>		
Criminal Proceedings	1	Unascertainable
Other Pending Litigation	2	14.70
Taxation Liabilities (Direct Tax Cases)	16	58.85
Taxation Liabilities (Indirect Tax Cases)	2^	359.32^
<i>Filed by the Company</i>		
Criminal Proceedings	2	3.53
Other Pending Litigation	4	25.43

^Includes contingent liability created by the auditor in respect of Civil Proceedings instituted by the Company M/s Hemant Surgical Industries Limited v. The Commissioner of Customs [C.A No. 6154 – 6155 of 2013] referred above.

Litigations/ Matters involving our Promoters & Directors:-

Nature of Litigation	Number of Cases Outstanding	(Rs. in lakhs)
		Amount in dispute/demanded to the extent ascertainable (Amount in Lacs)
<i>Hanskumar Shamji Shah</i>		
<i>Against the Directors</i>		
Other Pending Litigation	1	150.00
Taxation Liabilities (Direct Tax)	1	0.61

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lacs)
<i>Filed by the Directors</i>		
Other Pending Litigation	1	1914.23
Criminal Proceedings	1	6.13

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Prospectus

For further details of the outstanding litigation proceedings, see “*Outstanding Litigation and Material Developments*” beginning on page 187 of this Prospectus.

I. RISK FACTORS

For details on the risks involved in our business, please see the Chapter titled “*Risk Factors*” beginning on page 24 of this Prospectus.

J. SUMMARY OF CONTINGENT LIABILITIES

Following is the summary of the Contingent Liabilities of the Company:

Particulars	(₹ In lakhs)		
	March 31, 2023	March 31, 2022	March 31, 2021
In Respect of legal matter against Custom authorities	359.32	356.03	356.03
In respect of Bank Guarantee given to custom authorities	91.63	91.63	91.63
In respect of Bank Guarantee given for tender and other purpose	52.92	2.53	16.97
In respect of TDS & Income Tax matters	58.85	52.04	37.64
Other Pending Litigation	14.70	14.70	14.70
Total	577.42	516.92	516.96

For further details, please refer to *Annexure - XXX* – Contingent Liabilities of the chapter titled “*Financial Information of the Company*” on page 165 of this Prospectus.

K. SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary of the related party transactions entered by the Company (based on Restated Financial Statements) for the financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021: -

(i) Names of the related party and nature of relationship where control/significant influence exists

'Key management personnel (KMP) and their close members of family

Name of the related party	Nature of relationship
Key Management Personnel	
Hanskumar Shamji Shah	Chairman and Managing Director
Kaushik Hanskumar Shah	Whole Time Director & CFO
Hemant Praful Shah	Whole Time Director
Nehal Karelia	Non-Executive Director
Relatives of KMP	
Neha Hanskumar Shah	Relative
Neha Hemant Shah	Relative
Leena Hanskumar Shah	Relative
Mansi Shah	Relative

(ii) Entity controlled or jointly controlled by a person identified in (i) above

Ikigai Services Private Limited

Lifesenz Cancer Research Labs Private Limited

Diaso Diagnostics LLP

(iii) Details of transactions with related parties and balances**(₹ In Lakhs)**

Name	Relationship	Nature of transaction	31 March 2023	31 March 2022	31 March 2021
			Amount of transaction during the year	Amount of transaction during the year	Amount of transaction during the year
Hanskumar Shamji Shah	Chairman and Managing Director	Remuneration	30.00	30.00	36.00
		Loans & Advance Received	285.43	233.02	63.19
		Loans & Advance Repaid	158.87	80.06	38.04
		Closing Balance Receivable/(Payable)	-	-126.57	26.40
Kaushik Hanskumar Shah	Whole Time Director & CFO	Remuneration	42.00	42.00	42.00
		Loans & Advance Received	28.11	113.84	0.00
		Loans & Advance Repaid	12.44	91.91	6.25
		Closing Balance Receivable/(Payable)	-	-15.68	6.25
Hemant Praful Shah	Whole Time Director	Remuneration	42.00	42.00	42.00
		Loans & Advance Received	32.86	128.44	8.72
		Loans & Advance Repaid	19.22	110.93	12.42
		Rent Paid	1.80	1.80	1.80
		Closing Balance Receivable/(Payable)	0.00	-13.64	3.88
Neha Hanskumar Shah	Relative	Loans & Advance Received	45.26	28.50	-
		Loans & Advance Repaid	107.68	69.42	21.50
		Salary	30.00	30.00	24.60
		Closing Balance Receivable/(Payable)	-	62.42	21.50
Neha Hemant Shah	Relative	Loans & Advance Received	55.33	43.41	8.15
		Loans & Advance Repaid	57.92	53.15	9.45
		Salary	11.25	9.00	9.00
		Closing Balance Receivable/(Payable)	16.60	19.19	9.45
Leena Hanskumar Shah	Relative	Loans & Advance Received	9.15	27.60	-
		Loans & Advance Repaid	4.00	22.45	-
		Salary	4.50	-	-
		Rent Paid	1.80	1.80	1.80
		Closing Balance Receivable/(Payable)	0.00	-5.15	-
Mansi Shah	Relative	Salary	11.25	9.00	15.50
		Loans & Advance Received	21.96	29.61	17.74

Name	Relationship	Nature of transaction	31 March 2023	31 March 2022	31 March 2021
			Amount of transaction during the year	Amount of transaction during the year	Amount of transaction during the year
		Loans & Advance Repaid	29.56	32.60	9.44
		Closing Balance Receivable/(Payable)	-	7.60	4.61
Nehal Karelia	Non-Executive Director	Remuneration	0.95	-	-
Ikigai Services Private Limited	Entity controlled or jointly controlled by Director/Directors	Loan & Advances given	8.29	2.75	-
		Closing Balance Receivable/(Payable)	11.04	2.75	-
Lifesenz Cancer Research Labs Private Limited	Entity controlled or jointly controlled by Director/Directors	Rent Received	2.40	-	-
		Service Purchased	56.64	-	-
		Loans & Advances Given	333.35	-	-
		Loans & Advances Repaid	4.10	-	-
		Closing Balance Receivable/(Payable)	331.37	-	-
Diaso Diagnostics LLP	Entity controlled or jointly controlled by Director/Directors	Purchase	4.88	-	-
		Loan & Advances given	-	25.75	-
		Loans & Advances Repaid	23.00	-	-
		Closing Balance Receivable/(Payable)	4.38	32.25	6.50

For further details, please refer to the Annexure XXXI – Related Party Disclosures of chapter titled “*Financial Information of the Company*” on page 165 of this Prospectus.

L. DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby the promoters, members of the promoter group, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Prospectus.

M. WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTERS IN LAST ONE YEAR

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Hanskumar Shamji Shah	22,69,700	4.11
2.	Kaushik Hanskumar Shah	17,81,520	5.24
3.	Hemant Praful Shah	15,83,630	5.89

**The Weighted Average Price for Equity Shares acquired during last one year has been calculated by taking into account the amount paid by the Promoters to acquire, by way of fresh issuance or transfer, the Equity Shares and the net cost of acquisition has been divided by total number of shares acquired during last one year.*

N. AVERAGE COST OF ACQUISITION OF SHARES

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

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Hanskumar Shamji Shah	35,26,400	6.21
2.	Kaushik Hanskumar Shah	21,03,120	5.90
3.	Hemant Praful Shah	17,34,080	5.90

**The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date.*

O. PRE IPO-PLACEMENT

Our Company is not considering any pre-IPO placement of equity shares of the Company.

P. EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH

Except as set out below, we have not issued Equity Shares for consideration other than cash in the last one year.

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason for Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
December 21, 2022	2,88,000	100	-	Bonus Issue in the ratio of 3:5 i.e. Three Equity Shares for every Five Equity Share held	Capitalization of Reserves & Surplus *	Hanskumar Shamji Shah	1,32,240
						Kaushik Hanskumar Shah	78,867
						Hemant Praful Shah	65,028
						Neha Hanskumar Shah	2,916
						Neha Hemant Shah	2,082
						Leena Hanskumar Shah	3,297
						Ranjan Praful Shah	3,570
Total	2,88,000						

**Above allotment of shares has been made out of Reserve & Surplus available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose*

Q. SPLIT/ CONSOLIDATION OF EQUITY SHARES

Pursuant to Shareholders' resolution dated January 03, 2023, the face value of Equity Shares of our Company was split from Rs.100.00 per Equity Share to Rs. 10.00 per Equity Share.

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

As on date of the Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

SECTION III: RISK FACTORS

An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Prospectus, particularly the **“Financial Information of the Company”** and the related notes, **“Our Business”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations”** on page 136, 94 and 178 respectively of this Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.

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

Materiality

The Risk factors have been determined 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 future.

Note:

The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

In this Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in **“Risk Factors”** on page 24 and **“Management Discussion and Analysis of Financial Condition and Results of Operations”** on page 178 of this Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the **“Restated Financial Statements”**.

1. **We are dependent on collaborations, agreements or authorizations received by our Company from third party manufacturers and suppliers. Such agreements are usually valid for a period of 3 to 5 years and if such agreements are terminated or not renewed at favourable terms, our operations may be adversely affected.**

We have entered into various collaborations, agreements or authorizations outside India for import/export of medical equipments and disposables like: entered into exclusive distribution agreement with JMS Co. Ltd., Japan for importing and marketing JMS Meditape in India, entered into technical collaboration agreement with JMS Singapore Pte. Ltd. for manufacturing Intravenous infusion set, appointed as sole agent of SWS Hemodialysis Care Co. Ltd. China to sell and do maintenance of SWS-4000A hemodialysis machines in West India on exclusive basis and exclusive distribution agreement with Hemant Phillipines Inc./ Mediply Inc. for supply of renal care equipment, medical devices and consumables for marketing the same in entire Phillipines We are subject to certain obligations and restrictive covenants in these agreements or authorizations that we have entered into with third party manufacturers and suppliers. Any failure to comply with these

obligations and covenants may have a material adverse effect on our business, prospects, cash flows and financial condition. During the Fiscals 2023, 2022 and 2021 our purchases from JMS Co. Ltd, Japan and JMS Singapore Pte Ltd, Singapore accounted for 39.64%, 40.74% and 51.52% of our purchases for respective years.

There may be possibility that we may not be able to access such products, technology and know-how in the event of any discontinuation, disruption, termination or breach of these agreements resulting in an adverse impact on our business and financial condition. Our agreements are usually for a period of 3 years to 5 years of validity, therefore if these agreements are not regularly renewed we may not be able to continue our operations on favorable terms. Further these agreements may be terminated prematurely under various circumstances beyond our control. We have limited ability to negotiate terms of these contracts and may have to accept unusual or onerous provisions. Thus in the event of termination of the said agreements or in case of failure to procure new agreements or to renew the said agreements at favorable terms or failure to renew them at all, our business operations may be affected.

2. *We face risks relating to sourcing of raw materials and components for manufacturing and assembly of our medical equipments from third parties.*

We deal in variety of medical equipment used by the medical practitioners, hospital and diagnostic service providers etc. We currently do not have long term contracts or exclusive supply arrangements with all our suppliers. Although we have not encountered any significant disruptions in the sourcing of any raw material or component, we cannot assure you that such disruptions will not occur and/or we shall continue to be able to source the raw materials or components in a cost effective manner. Our top 10 suppliers for the Fiscals 2023, 2022 and 2021 accounted for Rs 6596.11 lakhs, Rs 6135.48 lakhs and Rs 4018.04 lakhs constituting 80.02%, 76.98% and 83.78% of our purchases for respective years.

Any failure to procure such raw material or components on a timely basis, or at all, from such third parties and on commercially suitable terms, could affect our ability to deliver finished products. Our dependence on a limited number of suppliers and manufacturers exposes us to risks of delays or inability to meet the demand for the raw material and components. We may also be unable to find any alternative in time, or at all, and at a suitable cost. Any such delay or inability could cause disruptions in our operations and adversely affect our business, financial condition and cash flows.

Moreover, if any of our suppliers suffer any damage to facilities, experience power outages, encounter financial difficulties, are unable to secure necessary raw materials from their suppliers or suffer any other reduction in efficiency, capacity limitations, shortages, work stoppages, labour or social unrest, transport bottlenecks and risks, weather emergencies, commercial disputes, government actions, riots, wars, sabotage, cyber-attacks, acts of terrorism, financial or operational instability of suppliers, we may experience significant business disruption. In the event of any such disruption, our Company would need to seek and source other suppliers, likely resulting in further delays and increased costs which could affect our business adversely.

3. *Loss of any of our key customers or significant reduction in demand from, our significant customers may materially and adversely affect our business and financial performance.*

Our key customers majorly include (i) hospitals and diagnostic centres; (ii) Distributors and dealers and (iii) independent doctors. Our top 10 customers accounted for approximately 40.65%, 39.03% and 33.26% of our revenue from operations in Fiscals 2023, 2022 and 2021 respectively.

Since we are dependent on certain key customers for a significant portion of our sales, the loss of one or more of such customers or a reduction in demand from such customers, for any reason, including due to loss of contracts, delay in fulfilling existing orders, failure to negotiate or agree upon acceptable terms in negotiations, disputes or a loss of market share or a downturn in the spending on healthcare by them, if not suitably replaced with another customer, could adversely affect our business, financial condition and results of operations. Our revenues and profitability may also be adversely affected if there's a significant reduction in the volume of our business with such customers, or if our customers prefer our competitors over us, and we may not remain the preferred products and solutions provider for certain of our customers.

For instance, if there is any change in the treatment methodology adopted by a medical practitioner, this may lead to cancellation of orders or loss of business and consequently reduce our sales and affect our estimates of anticipated sales, which could materially and adversely affect our business, financial condition and results of operations. Further, our future growth is also linked to the addition of new customers and failure to do so could materially and adversely affect our business, financial condition and results of operations.

4. *We depend significantly on customers and their spending in the healthcare industry and any decline in the spending on healthcare infrastructure in India, could adversely affect our business and profitability.*

To boost domestic manufacturing of medical devices and attract huge investments in India, the Department of Pharmaceuticals launched a PLI scheme for domestic manufacturing of medical devices, with a total outlay of funds worth Rs. 3,420 crore (US\$ 468.78 million) for the period FY21-28. The government also approved applications for nine eligible projects that are expected to lead to a total committed investment of ~Rs. 729.63 crore (US\$ 100.01 million) by the companies Siemens Healthcare Private Limited, Allengers Medical Systems Limited (AMSL), Allengers OEM Private Limited (AOPL), Wipro GE Healthcare Private Limited, Nipro India Corporation Private Limited, Sahajanand Medical Technologies Private Limited, Innvolution Healthcare Private Limited, and Integris Health Private Limited, and generate ~2,304 jobs. (Source <https://www.ibef.org/industry/medical-devices>)

Any reduction in the budgetary allocation or support by the Central and/or the State Governments may have a significant impact on our business prospects. Our business is directly and significantly dependent on projects awarded by them. In the event of any adverse change in budgetary allocations or a downturn in available work in this sector resulting from any change in government policies or priorities, our business prospects and our financial performance, may be adversely affected. Factors that may result in a loss of a client include service of our healthcare products, its performance, reduction in budgets due to macroeconomic factors or otherwise, shift in policies and political or economic factors or changes in their outsourcing strategies. These factors may not be predictable or under our control and any adverse change may affect our operations.

5. ***We are significantly dependent on the sale of one of our products viz: Meditapes imported from JMS Co Ltd. An inability to anticipate or adapt to evolving up gradation or inability to ensure product quality or reduction in the demand of such products may adversely impact our revenue from operations and growth prospects.***

Our financial performance is significantly dependent on our revenue from sales of one of our products viz: Meditapes, which represented 33.00%, 28.13% and 38.45% of our revenue from operations for the Fiscal 2023, 2022 and 2021 respectively. We cannot assure you that we will increase our market share in the future for this product. Demand for these products depends primarily on healthcare practices in India and its development initiatives taken by Government of India. Further, the product may be substituted by product up gradation and our company may be unable to attain successful vendor approval registration for such upgraded product. We may not be able to introduce new product that are in faster-growing and more profitable categories. Any of these factors could have a material adverse impact on our financial condition and the results of operations. We may also be required to invest in updated technology and processes to develop upgraded product having the desired specification, qualities and characteristics, and continually monitor and adapt to evolving demand in the healthcare industry. In order to further expand into the said product line we intend to purchase additional machinery known as Surgical Tape Coating Machine from the Net Proceeds that would facilitate backward integration to further reduce cost, improve availability and consistency of the product.

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

We require certain statutory and regulatory licenses, registrations and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all.

Our Company has presently obtained the requisite registrations, except that our company is yet to apply for Fire No-Objection Certificate for its manufacturing unit at Acchad Industrial Estate, for its Assembly units at Atgaon and Bhiwandi, Mumbai and for its registered office. Further our company has applied for factory license in respect of its assembly unit at Bhiwandi, Mumbai and for renewal of consent to operate under Maharashtra Pollution Control Board for its manufacturing unit at Acchad Industrial Estate and for its Assembly units at Atgaon, which is pending for approval. There can be no assurance that our Company will be granted such approvals or that such approvals will be renewed.

Further, these licenses, registrations and approvals are subject to several conditions, and we cannot assure that we will 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 licenses, approvals and registrations. Failure by us to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our operations and may have a material adverse effect on our business, results of operations and financial condition. For further details of the approvals yet to be obtained by us, and please see the chapter titled “***Government and Other Statutory Approvals***” beginning on page 193.

7. ***Quality problems and product liability claims could lead to recalls or safety alerts, reputational harm, adverse verdicts or costly settlements, and could have an adverse effect on our business, results of operations, financial condition and cash flows.***

Quality is extremely important to us and our customers due to the impact on patients or due to the serious and potentially costly consequences of product failure. Our business exposes us to potential product liability risks that are inherent in the manufacturing, marketing and use of our products. In addition, some of our products are used in surgical and post-surgical care, with many of our products often used in intensive care settings with seriously ill patients.

Component failures, manufacturing nonconformance, unknown safety, efficacy concerns, unknown side effects, design defects, off-label use, or inadequate disclosure of product-related risks or product-related information with respect to our products, if they were to occur, could result in directly or indirectly, personal injuries or other adverse effects. If any of the aforementioned events were to occur, we may be required to recall and terminate sales of our products. We are exposed to product liability claims in the ordinary course of business. A product liability claim could require us to pay substantial damages. Product liability claims against us, whether or not successful, are costly and time-consuming to defend. Furthermore, concerns of potential side effects could arise among consumers or medical professionals, and such concerns, whether justified or not, could expose us to negative publicity and have an adverse effect on sales of our products and our reputation.

8. ***Our business is dependent on our manufacturing facilities and assembly units. Obsolescence, destruction, theft, breakdowns of our machineries or failures to repair or maintain the same may affect our business, cash flows, financial condition and results of operations.***

We have one manufacturing unit located at Achhad Industrial Estate and two assembly units located at Atgaon and Bhiwandi. Our business is dependent upon our ability to manage our manufacturing and assembly facilities, which are subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe weather conditions and natural disasters. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair breakdown of machinery in a timely manner or at all, our operations may need to be suspended until we procure new machinery to replace the same. In addition, we may be required to carry out planned shutdowns of our facilities for cleaning and maintenance, statutory inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades.

Obsolescence, destruction, theft or breakdowns of our 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. 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. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an effect our business, cash flows, financial condition and results of operations

9. ***Restrictions on import and an increase in shipment cost may adversely impact our business, cash flows and results of operations.***

Most of the products, raw materials and components required in our manufacturing and assembly line process are imported. During the Fiscal 2023, 2022 and 2021 the import purchases accounted for 76.28%, 75.72% and 69.10% of total purchases in the respective years. The import is regulated by the various regulatory requirements, which empowers the relevant authority to undertake any measures that it deems fit, particularly in relation to medical equipments, parts, components and disposables to be imported. Such measures include denying approval for import of such products. There can be no assurance that such regulations will not become more stringent in the future, which could potentially restrict our ability to import from other jurisdictions. Historically, we have been dependent on import from countries like: Japan, China and France etc

While our imports from such jurisdictions are not currently subject to any regulatory ban or restriction, there can be no assurance that such regulations will not evolve into more stringent regulations, which would place onerous requirements on us and consequently restrict our ability to import. There can also be no assurance that, under these circumstances, we will be successful in identifying alternate suppliers or we will be able to source such products, raw materials or components domestically at favourable terms in a timely manner. While we have not in the past experienced any significant challenge in importing products, there can be no assurance that we will not experience any such challenges in the future

10. Our Company and Directors are involved in certain legal proceedings and potential litigations. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties/prosecutions and may adversely affect our business and results of operations.

Our Company and Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals, and government departments. Our Board, in its meeting held on January 04, 2023 determined that outstanding legal proceedings involving the Company, its Directors and Promoter will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last restated financial statements of the Company being Rs.2.71 Lakhs or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

Litigations involving our Company:-

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lacs)
<i>Against the Company</i>		
Criminal Proceedings	1	Unascertainable
Other Pending Litigation	2	14.70
Taxation Liabilities (Direct Tax Cases)	16	58.85
Taxation Liabilities (Indirect Tax Cases)	2 [^]	359.32 [^]
<i>Filed by the Company</i>		
Criminal Proceedings	2	3.53
Other Pending Litigation	4	25.43

[^]Includes contingent liability created by the auditor in respect of Civil Proceedings instituted by the Company M/s Hemant Surgical Industries Limited v. The Commissioner of Customs [C.A No. 6154 – 6155 of 2013] referred above.

Litigations involving Promoters and Directors:-

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lacs)
<i>Hanskumar Shamji Shah</i>		
<i>Against the Directors</i>		
Other Pending Litigation	1	150.00
Taxation Liabilities (Direct Tax)	1	0.61
<i>Filed by the Directors</i>		
Other Pending Litigation	1	1914.23
Criminal Proceedings	1	6.13

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Prospectus

For further details, see “**Outstanding Litigation and Material Developments**” beginning on page 187 of this Prospectus. Any adverse outcome from adjudication of these pending litigations (i) against the Company or the Promoters and Directors, (ii) initiated by the Company or the Promoters and Directors, in the future may have an impact on the Company’s profitability, revenue, operations, etc. Further there are few litigations where the quantum is not ascertainable, therefore any adverse outcome from adjudication of these pending litigations in the future may have impact on the Company’s profitability, revenue, operations, etc. If the courts or tribunals rule against our Company or our Promoters and Directors, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

11. There are certain discrepancies/errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 1956/2013. Some of our corporate records are not traceable. Any penalty or action taken by any regulatory authorities in future, for non-compliance with provisions of corporate and other law could impact the reputation and financial position of the Company to that extent.

Our company has missed to comply with certain statutory provisions in the past including but not limited to the details as mentioned in this risk factor There are few discrepancies noticed in some of our corporate records relating to e-forms filed with the Registrar of Companies, which includes non-filing of Form MGT – 14 for approval of Board Report and Financial Statement for the FY 2014 to FY 2017, for issuance of equity shares during the FY 2016-17 and FY 2018-19, for approval of borrowing money and in respect of loans granted by our company in the past to its group companies under section 185 of the Companies Act 2013 and for seeking the permissible limits as prescribed under section 186 of the companies Act, 2013.

However as on date of this Prospectus our company has complied with the provisions of sec 185 and sec 186 by according shareholders' approval vide extra ordinary general meeting dated December 20, 2022 and the consequent form MGT – 14 for the same has been filed with Registrar of Companies, Mumbai. Further, our company inadvertently missed to enclose the Cash Flow Statements in the Form AOC-4 filed by the Company till F.Y. 2020-21.

The company being a public company had taken loan from relative of director in the past which is in non-compliance under Section 73 of Companies Act, 2013, however all such loan has been repaid as on date of this Prospectus. Our Company had granted loans and advances to its Directors and also to relative of directors in past which in non-compliance of section 185 Companies Act, 2013.

Further, the Company has not filed Form 66 for Compliance Certificate for the FY 2011-12. Our Company in the past has paid remuneration to its directors which are in excess of the limit prescribed under the Section 197 of Companies Act, 2013, however as on date of the Prospectus, the terms of reappointments or redesignation of those directors have been made in accordance with limits prescribed under section 197 and 198 read with schedule V of Companies Act 2013. Pursuant to meeting the threshold limit for preparing Cost Records in FY 2015-16, our Company failed to prepare the same from FY 2015-16 under section 148 of Companies Act 2013. Further, our Company has not filed e-form CHG-1 for creation of charge on certain vehicle loans, which is a non-compliance of Section 77 of the Companies Act, 2013, however all such loans have been repaid as on date of this Prospectus.

Further certain of our corporate records in relation to certain allotments of equity shares, namely the Forms-2 filed with the Registrar of Companies in relation to the allotments made by our Company prior to March 31, 2006 are not traceable in the historical records maintained by our Company, or at the MCA Portal maintained by the Ministry of Corporate Affairs and the Registrar of Companies, despite conducting internal searches and engaging an independent practicing company secretary to conduct the search. We have obtained physical search report dated March 02, 2023 from Khushboo Kharloya, practicing company secretary in relation to such untraceable corporate records. Further the share transfer deed in respect to transfer of shares of our Company before March 31, 2007 are not traceable and certain other statutory records such as Minutes Book pertaining to the years prior to 2017 are not traceable by us Accordingly, we have relied on the other corporate records maintained by the Company such as statutory registers to ascertain the information for the missing corporate records. While no legal proceedings or regulatory action has been initiated against us in relation to the unavailable filings and statutory lapses as of the date of this Prospectus, we cannot assure you that such proceedings or regulatory actions will not be initiated against us in the future in relation to the missing filings and corporate records. We cannot assure you that any such proceedings will not have a material adverse effect on our financial condition or reputation.

Our company has not complied with certain Accounting Standards such as AS-15, AS-18 and AS-22 however the same have been duly complied by the company in the restated financial statements. Further, there are certain forms which are filed with delayed fees with RoC. Although, no show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent.

12. *Inventories and trade receivables form a major part of our current assets. Failure to manage our inventory and trade receivables could have an adverse effect on our net sales, profitability, cash flow and liquidity.*

Our Company's business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets. The results of operations of our business are dependent on our ability to effectively manage our inventory (raw materials and finished goods) and trade receivables. To effectively manage our inventory, we must be able to accurately estimate customer demand / potential orders and supply requirements and purchase new inventory accordingly. However, if we misjudge expected customer demand / potential orders, it could cause either a shortage of products or an accumulation of excess inventory. During the FY 2022-23, 2021-22 and 2020-21 our inventories were Rs. 1,480.66 lakhs, Rs 1,284.30 lakhs and Rs 1,479.92 lakhs. Further, if we fail to convert the inventory, we purchase by manufacturing our products, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if we fail to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. During the FY 2022-23, 2021-22 and 2020-21 our trade receivables were Rs 1,719.80 lakhs, Rs 1565.53 lakhs and Rs 427.24 lakhs. We also maintained Cash and Cash equivalents of Rs 845.65 lakhs, Rs 582.58 lakhs and Rs 151.65 lakhs FY 2022-23, 2021-22 and 2020-21 respectively. A liquidity crunch may also result in case of increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

13. *Our success depends on stable and reliable logistics and transportation infrastructure. Disruption of logistics and transportation services could impair the ability of our suppliers to deliver raw materials or our ability to deliver products to our customers and/ or increase our transportation costs, which may adversely affect our operations*

We utilize third party transportation services by road for transportation of raw materials and our products from/ to our suppliers and customers. Further, we rely on the freight ships for the transportation of imported components and products. Transportation by road or ship, as the case may be, involves risks, including, collision, grounding, storm, fire, explosion, lightning, political instability, allotment of berths for cargo ships for our imports and operating restrictions/ lockdown consequent to outbreak of infectious diseases, such as the COVID-19 pandemic. Any delay or disruption caused to the transportation of raw materials or our products could adversely impact our ability to procure the raw materials as well as to meet the delivery schedule of our products in an economical manner. To ensure timely delivery of our products, we may also be required to maintain relatively high level of inventory of raw materials and this may also resultantly increase our cost.

14. *Some of our Group Companies and Promoter Group Entities operate in the same line of business as us, which may lead to conflict of interest.*

Our Group Companies and Promoter Group entities, Ikigai Services Private Limited, Diaso Diagnostics LLP, Ikigai Medequipments Private Limited are involved in ventures which are in the same line of business as of our Company. Hence, we may have to compete with our Group Entities for business, which may impact our business, financial condition and results of operations. We cannot assure that our Promoters who have common interest in said entity will not favour the interest of the said entity. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and these Companies in circumstances where our respective interests' conflict. In cases of conflict, our Promoter may favour these companies in which our Promoters have interest. There can be no assurance that our Promoters or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. The interests of our Promoters may also conflict in material aspects with our interests or the interests of our Shareholders. However, our Company will ensure necessary procedures and practices as permitted by laws and regulatory guidelines to address situations of conflict of interest as and when they arise. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations. For further details, see **"Our Group Companies"** on page 200.

Further we share the same premises of our registered office with Our Group Companies and Promoter Group entities, Ikigai Services Private Limited, Diaso Diagnostics LLP, Lifesenz Cancer Research Labs Private Limited, Ikigai Medequipments Private Limited. There is no separate sub-lease agreement, rent sharing agreement or areasharing agreement. In case of any dispute, we may suffer a disruption in our operations which could have an adverse effect on our business and operations. Any multiple or overlapping use of the said facilities may create some disruption which may affect our business operations.

15. *Fluctuation in foreign currency exchange rates could affect our financial condition and results of operations.*

Our business involves import and export transactions with foreign companies, which is paid or received in U.S. Dollars, Yen, JPY or other foreign currencies. A depreciation of Rupee against these foreign currencies would mean that our imports would become expensive and will impact our gross margins. During the FY 2022-23, 2021-22 and 2020-21 the imports accounted for approximately Rs. 6,288.03 lakhs, Rs. 6,035.08 lakhs and Rs. 3,283.04 lakhs respectively. Similarly, any appreciation of Rupee against these foreign currencies would adversely affect the export value of our products. During the FY 2022-23, 2021-22 and 2020-21 the exports accounted for approximately Rs. 1,262.22 lakhs, Rs 797.41 lakhs and Rs. 547.47 lakhs respectively. The exchange rate between the Rupee and these foreign currencies has fluctuated substantially in recent years and may continue to fluctuate significantly in the future. The foreign exchange gain/(loss) during the FY 2022-23, 2021-22 and 2020-21 accounted for Rs. 147.39 lakhs, Rs 49.08 lakhs and Rs (45.30) lakhs respectively. We bear the complete risk of currency exchange rate fluctuations.

16. *Our expansion plan towards backward integration relating to installation of additional plant and machinery is subject to the risk of unanticipated delays in implementation and cost overruns.*

We intend to use the Net Proceeds to install Surgical Tape Coating Machine for setting up a coating plant of Meditapes and to install Injection Moulding Machine, for moulding plastic parts of medical disposables. For further information, refer **"Objects of the Issue"** on page 68 of this Prospectus. Our expansion plan remain subject to the potential problems and uncertainties including cost overruns or delays. Problems that could adversely affect our plans include labour shortages, the possibility of unanticipated future regulatory restrictions, incremental pre- operating expenses, taxes and duties, interest and finance charges, working capital margin and other external factors which may not be within the control of our management. There can be no assurance that the proposed capital expenditure towards installation of additional plant & machinery will be completed as planned or on schedule, and if they are not completed in a timely manner,

or at all, our budgeted costs may be insufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the expansion in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

17. *Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.*

While we have insured our manufacturing unit with FG Bharat Sookshma Udyam Suraksha for Building including Plinth & Foundation, Plant & Machinery, Furniture, Fixtures and Fittings. We also insured stock at our manufacturing and assembly units with Oriental Bharat Laghu Udyam Suraksha Policy and Bulgary- Floater policy. In addition to this, we have private car and commercial vehicle insurance policy, Two-Wheeler Insurance Policy. However, we don't have any insurance policy for our registered office. We may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable. We have not insured our risks pertaining to Machinery Breakdown, Third party claims, Cash in transit, Keyman Insurance Policy and Employee Compensation Policy. The absence of such policies may affect our production facilities to halt, and may hinder our operations. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows. For further details of our Insurance Policies, please refer section titled "***Our Business***" beginning on page 94 of this Prospectus.

18. *The names of our Promoters Hanskumar Shamji Shah and Kaushik Hanskumar Shah were appearing in the list of disqualified directors in the past.*

Our Promoters, Hanskumar Shamji Shah and Kaushik Hanskumar Shah were disqualified from directorship from November 01, 2016 to October 31, 2021 by Registrar of Companies, Delhi (ROC Delhi) under Section 164(2)(a) of the Companies Act, 2013 in relation to their past directorship in Millennium Industries Private Limited ("MIPL") as MIPL did not file financial statements or annual returns for continuous period of three (3) financial years. Hanskumar Shamji Shah had submitted his resignation from the directorship of MIPL in the year 2006 and Kaushik Hanskumar Shah had submitted his resignation from the directorship of MIPL in the year 2008 and their respective period of disqualification from directorship also ended on October 31, 2021.

Hanskumar Shamji Shah and Kaushik Hanskumar Shah had filed a writ petition bearing no. W.P. (C) 13189/2018 & CM Appls 51186-87/2018 before the Hon'ble High Court of Delhi at New Delhi challenging the disqualification list published/notified by ROC Delhi and inter-alia seeking quashing of the said list. The Hon'ble High Court of Delhi vide its Order dated December 07, 2018, inter-alia, stayed the aforementioned disqualification list till the next date of hearing and ordered that Director Identification Number ("DIN") and Digital Signatures of both Hanskumar Shamji Shah and Kaushik Hanskumar Shah be forthwith revived. Later, the said writ petition filed by Hanskumar Shamji Shah and Kaushik Hanskumar Shah was clubbed with other writ petitions filed by certain individuals aggrieved by the list of disqualification and the Hon'ble High Court of Delhi vide its Order dated July 07, 2022 disposed 489 writ petitions including the writ petition filed by Hanskumar Shamji Shah and Kaushik Hanskumar Shah and inter-alia held that since the period of disqualification has expired by efflux of time i.e. on account of lapse of five years, the petitioners are eligible for appointment/re-appointment as directors.

While Hanskumar Shamji Shah and Kaushik Hanskumar Shah are not presently disqualified to be directors, there is no assurance that statutory or regulatory actions or legal proceeding will not be initiated against any of them. In future, in case of any actual or alleged non-compliance with regulatory requirements, our Promoters could be subject to investigations and administrative or judicial proceedings that may result in substantial penalties and/ or diversion of management's attention, which could negatively affect our reputation and may have a material adverse effect on our business operations.

19. *We also sell our products through network of distributors and dealers and any inability to expand or effectively manage our growing distribution and sales network may have an adverse effect on our business, results of operations and financial condition.*

In addition to direct sales of our products to end user customers, we also have an extensive sales and distribution network. We are dependent on our channel partners for the distribution of our products. Our ability to expand and grow our product

reach significantly depends on the reach and effective management of our distribution network. We continuously seek to increase the penetration of our products by appointing new distributors targeted at different markets and geographies. We cannot assure you that we will be able to successfully identify and appoint new distributors or effectively manage our existing distribution network. If the terms offered to such distributors by our competitors are more favorable than those offered by us, distributors may decline to distribute our products and terminate their arrangements with us.


20. Our assembly units are located on leased premises. If we are unable to renew these leases or relocate on commercially suitable terms, it may have a material adverse effect on our business, results of operation and financial condition

Our assembly units situated at Atgaon and Bhiwandi in Mumbai are located on leased premises. Though we have entered into lease agreements with respect to these units, such lease agreements may be terminated early in the event of a default or upon the expiry of their tenure and may not be renewed. For details, see “*Our Business - Property*” on page 94. Additionally, the lease agreements require our Company to comply with certain conditions including prior consent of the lessor for certain actions such as making significant structural alterations, subletting, transferring or assigning the leased premises. If we fail to meet any such conditions, we may be required to incur additional liability.

If these agreements are terminated or revoked for any reason or if we are unable to renew these agreements on commercially reasonable terms or at all, we may suffer significant disruptions to our operations and incur considerable costs to relocate and move our operations elsewhere. In the event we are required to vacate the premises, we may need to do with short or no notice. Any inability on our part to timely identify a suitable location could have an adverse impact on our business.

21. The logo used by our Company is not registered under the Trade Marks Act, 1999. Failure to protect our intellectual property rights may adversely affect our competitive business position, financial condition and profitability.



Presently, our Company is using logo  and we have not applied for registration of the same under the Trade Marks Act, 1999. Therefore, as on date we do not enjoy the statutory provisions that are accorded to a registered trademark. Further, we may not be able to detect any unauthorized use or infringement or take appropriate and timely steps to enforce or protect our intellectual property, nor can we provide any assurance that any unauthorized use or infringement will not cause damage to our business prospects. Further we cannot guarantee that the application made for registration of our trademark in future will be allowed. In case we are unable to obtain the registration for the said trademark in our name, our business revenues and profitability may be impacted.

22. Our contingent liabilities as stated in our Restated Financial Statements could affect our financial condition.

Our Contingent liability as on March 31, 2023 was Rs. 577.42 lakhs. If this contingent liability materializes, fully or partly, the financial condition of our Company could be affected.

(₹ In Lakhs)	
Particulars	March 31, 2023
In Respect of legal matter against Custom authorities	359.32
In respect of Bank Guarantee given to custom authorities	91.63
In respect of Bank Guarantee given for tender and other purpose	52.92
In respect of TDS & Income Tax matters	58.85
Other Pending Litigation	14.70
Total	577.42

For more information, regarding our contingent liabilities, please refer “*Annexure XXX*” in chapter titled “*Financial Information of the Company*” beginning on page 165 of this Prospectus.

23. We face competition and may not be able to keep pace with the rapid technological changes in the industry.

The healthcare and medical devices market is competitive and is characterized by rapid technological change. Our customers consider many factors when choosing suppliers, including product reliability, clinical outcomes, breadth of product portfolio, price and product services provided by the manufacturer, product availability and market share can shift as a result of technological innovation and other business factors. Major shifts in industry market share have occurred in connection with product problems, physician advisories and safety alerts, reflecting the importance of product quality in the medical health product industry, and any quality problems with our processes, goods and services could harm our reputation and erode our competitive advantage, sales and market share. Our competition varies by market, geographic areas and type of product.

We compete on the basis of our ability to fulfil our obligations for the secured orders including the quality and the timely delivery of the products. Our competitors may have substantially greater financial, management, research and marketing resources than we have as a result of which they may be able to utilise their resources and economies of scale to develop improved products, divert sales away from us by winning larger orders or they may hire our employees by offering more lucrative compensation packages. Increased competition may also lead to product price erosion as new companies enter the market or modify their existing products to compete directly with us or advanced technologies emerge. Growing competition in the domestic and/or international markets may subject us to pricing pressures and require us to reduce the prices of our products in order to retain or attract customers, which may have an adverse effect on our revenues and margins.

24. *If we are unable to manage our growth effectively, our business, future financial performance and results of operations could be materially and adversely affected.*

The success of our business will depend greatly on our ability to effectively implement our operational and growth strategies. As a part of our growth strategy, we aim to, among other things, continue to grow our businesses as and when opportunities exist including capitalise on industry tailwinds, focus on consistently meeting quality standards, deepen and expand our geographical presence, strengthening up our business through effective branding, promotional and digital activities and focus on backward integration. In pursuing our growth strategy, we will require additional capital investments and cash outlays, which may have a material impact on our cash flows and results of operations. Our operating expenses and capital requirements may increase significantly pursuant to our expansion and diversification plans. Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and manufacturing capacity and to expend funds to improve our operational, financial and management controls, reporting systems and procedures. An inability to implement our future business plan, manage our growth effectively or failure to secure the required funding on favourable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations.

25. *We are dependent on our Promoters, our senior management and other key personnel, and the loss of, or our inability to attract or retain, such persons could affect our business, results of operations, financial condition and cash flows.*

Our performance depends largely on the efforts and abilities of our senior management and other key personnel. They have gained experience in this line of business and have over the years built relations with our suppliers, third party suppliers, customers and other persons who are connected with us and have been actively involved in the day to day operations and management, further we believe that the inputs and experience of our senior management, in particular, and other key personnel are valuable for successful delivery of products, our overall business operations and the strategic directions taken by our Company. For details in relation to the experience of our key management personnel, see “*Our Management*” on page 119 of this Prospectus. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find an adequate replacement in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an effect on our business, results of operations, financial condition and cash flows.

26. *Our activities require deployment of labour and depend on availability of labour. In case of unavailability of such labour, our business operations could be affected.*

Our operations require deployment and our ability to retain labour. In case such labour workforce is unavailable, or we are unable to identify and retain such labour our business could be adversely affected. We cannot guarantee that we may be able to continue with the same on favourable terms or at all. Any such failure may impact the operations, business process and profitability. Additionally, there have been amendments in the Labour and Employment related laws, which may have a direct impact on our employee costs and consequently, on our margins. Further, latest amendments in labour laws in India may be lead to increasing cost of compliance, wages, social security, Occupational Safety, Health and Working Conditions. We cannot assure you that we will continue to comply with all these labour related laws and that as we continue to grow our business in the future, our labour and employee costs coupled with operating compliances and expenses will not significantly increase.

27. *Our Promoters and Promoter Group Members have provided personal guarantees for loan facilities obtained by our Company, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations on them, which may impact their ability to effectively service their obligations and thereby, impact our business and operations.*

Our Promoters Hanskumar Shamji Shah, Kaushik Hanskumar Shah and Hemant Praful Shah and our promoter group member Leena Hanskumar Shah have provided personal guarantee towards loan facilities taken by our Company from

Standard Chartered Bank and Yes Bank Limited and may continue to provide such guarantees and other securities post listing. Any default or failure by us to repay the loans in a timely manner, or at all could trigger repayment obligations of our guarantors in respect of such loans, which in turn, could have an impact on their ability to effectively service their obligations, thereby having an effect on our business, results of operation and financial condition. Furthermore, in the event that these individuals or companies withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring 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 could affect our financial condition and cash flows. For further details, please refer to chapter titled *“Statement of Financial Indebtedness”* beginning on page 173 of this Prospectus.

28. *Information relating to installed capacity of our manufacturing facilities included in this Prospectus is based on various assumptions and estimates and our future production and capacity may vary.*

Information relating to the historical installed capacity of our manufacturing facilities included in this Prospectus is based on various assumptions and estimates of our management, including assumptions relating to expected operations, operating days, availability of raw materials, expected unit utilization levels, downtime resulting from scheduled maintenance activities, downtime resulting from change in stock keeping units for a particular product, unscheduled breakdowns as well as expected operational efficiencies. Actual production volumes and capacity utilization rates may differ significantly from the estimated production capacities and historical capacity utilization of our manufacturing facilities. Investors should therefore not place undue reliance on our historical installed capacity information for our existing manufacturing facilities included in this Prospectus.

29. *Under-utilization of our manufacturing capacities may have an adverse effect on our business, future prospectus and future financial performance*

Our capacity utilization is affected by the availability of raw materials and components, industry and market conditions as well as by the product requirements of, and the procurement practice followed by, our customers. Currently our manufacturing facilities are underutilized and in the event that we are unable to achieve full capacity utilization of our current manufacturing facilities, this would result in operational inefficiencies which may have an adverse effect on our business, financial condition, cash flows, future prospects and future financial performance. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, could adversely impact our business, growth prospects and future financial performance. In case of oversupply in the industry or lack of demand, we may not be able to utilize our capacity efficiently. For further details in relation to our capacity utilization, see *“Our Business – Capacity and Capacity Utilization”* on page 94.

30. *Excessive dependence on Standard Chartered Bank and Yes Bank Limited in respect of Loan facilities obtained by our Company.*

Our company has been majorly sanctioned credit facilities by Standard Chartered Bank and Yes Bank Limited. The Company is dependent on such facility for its Term loan, Working Capital, Cash Credit and Overdraft facilities and other funding requirement and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also adversely affect the financial position of the Company.

31. *Our Company has during the preceding one year from the date of the Prospectus allotted Equity Shares at a price which is may be lower than the Issue Price.*

In the last 12 months, we have made allotments of Equity Shares (other than bonus issue of shares) through right issue of shares to our promoters, which may be lower than the Issue Price. For details relating to number of shares issued, date of allotment etc. please refer to section titled *“Capital Structure”* on page 52 of this Prospectus. The Issue Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares.

32. *We are subject to certain restrictive covenants in debt facilities provided to us by our lenders.*

We have entered into agreements for availing debt facilities from lenders. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. For further details in this regard, please refer to chapter titled *“Statement of Financial Indebtedness”* beginning on page 173 of this Prospectus.

33. ***We have in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company's financial condition and results of operations.***

Our Company has entered into various transactions with our Directors, Promoters and Promoter Group members. These transactions, inter-alia includes remuneration, loans and advances, rent expenses, reimbursement of expenses etc. For details, please refer to “Annexure XXXI - Related Party Transactions” under Section titled “Financial Information of the Company” and Chapter titled “Capital Structure” beginning on page 165 and 52 respectively of this Prospectus. Our Company has entered into such transactions due to easy proximity and quick execution. While we believe that all such transactions have been conducted in the ordinary course of business, there can be no assurance that we could not have achieved more favorable terms had such transactions not been 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.

34. ***Changes in technology may render our current technologies obsolete or require us to make substantial investments.***

Modernization and technology up gradation is essential to reduce costs and increase the output. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we have installed updated technology, we shall continue to strive to keep our technology, plant and machinery in line with the latest technological standards. In case of a new found technology in the industry in which we operate, we may be required to implement new technology or upgrade the machineries and other equipment employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations.

35. ***The average cost of acquisition of Equity Shares by our Promoters, is lower than the face value of Equity Share.***

The average cost of acquisition of Equity Shares of our Promoter is lower than the face value of Equity Shares i.e. ₹10/-. For further details regarding the average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares of our Promoter in our Company, please see section titled “Capital Structure” beginning on page 52 of this Prospectus.

36. ***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.

37. ***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.***

The proposed fund requirement for installation of additional plant & machineries to facilitate backward integration at our manufacturing facility and funding working capital requirements, as detailed in the section titled “Objects of the Issue” is to be funded from the proceeds of this Issue. 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. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled “Objects of the Issue” beginning on page 68 of Prospectus.

38. ***Any Penalty or demand raised by statutory authorities in future will affect financial position of our Company.***

Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax and Income tax 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. Any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company.

39. ***The Objects of the Issue for which funds are being raised, are based on our management estimates and have not been appraised by any bank or financial institution or any independent agency.***

The deployment of funds will be entirely at our discretion, based on the parameters as mentioned in the chapter titled “***Objects of the Issue***”. The fund requirement and deployment, as mentioned in the “***Objects of the Issue***” on page 68 of this 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. We cannot assure that the current business plan will be implemented in its entirety or at all. 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. The deployment of the funds as stated under chapter “***Objects of the Issue***” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter “***Objects of the Issue***” will not vary from the estimated costs or schedule of implementation. 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.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the Section “***Dividend Policy***” on page 135 of the Prospectus.

41. ***There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.***

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above Rs. 10,000.00 Lacs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

42. ***Our Promoter and the Promoter Group will jointly continue to retain majority shareholding in our Company after the issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.***

Our promoter along with the promoter group will continue to hold collectively 73.56% of the post issue paid up share capital of the company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder’s vote. Such a concentration of the ownership may also have the affect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoter and promoter group will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

43. ***We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.***

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favorable to the then existing shareholders of our Company. If our Company decides to raise additional

funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt - equity ratio to increase or require us to create charges or liens on our assets in favor of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company 's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company 's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

44. *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 75 of the 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.

45. *Certain data mentioned in this Prospectus has not been independently verified.*

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

46. *Investors other than retail (including non-institutional investors and Corporate Bodies) are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an Application.*

Pursuant to the SEBI ICDR Regulations, Investors other than retail (including non-institutional investors and Corporate Bodies) are not permitted to withdraw or lower their application (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an Application. While our Company is required to complete Allotment pursuant to the issue within six Working Days from the issue Closing Date, events affecting the Applicants decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition, may arise between the date of submission of the Application and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the applicant's ability to sell the Equity Shares Allotted pursuant to the issue or cause the trading price of the Equity Shares to decline on listing.

EXTERNAL RISK FACTORS

47. *The extent to which the Coronavirus disease (COVID-19) may affect our business and operations in the future is uncertain and cannot be predicted.*

During the first half of calendar year 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may have, significant repercussions across local, national and global economies and financial markets. In particular, a number of governments and organizations have revised GDP growth forecasts for calendar year 2020 downward in response to the economic slowdown caused by the spread of COVID-19. The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have responded by taking measures, such as prohibiting people from assembling in large numbers, instituting quarantines, restricting travel, issuing "stay-at-home" orders and restricting the types of businesses that may continue to operate, among many others. On March 14, 2020, India declared COVID-19 as a "notified disaster" and imposed a nationwide lockdown beginning on March 25, 2020. The lockdown lasted until May 31, 2020, and has been extended periodically by varying degrees by state

governments and local administrations. The lifting of the lockdown across various regions has been regulated with limited and progressive relaxations being granted for movement of goods and people in other places and calibrated re-opening of businesses and offices. Despite the lifting of the lockdown, there is significant uncertainty regarding the duration and long-term impact of the COVID-19 pandemic, as well as possible future responses by the Government, which makes it impossible for us to predict with certainty the impact that COVID-19 will have on our business and operations in the future. We are closely monitoring the impact of COVID-19 on our financial condition, liquidity, operations, suppliers and workforce. Any intensification of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our business, results of operations and financial condition.

48. *A slowdown in economic growth in India may adversely affect our business, financial condition, cash flows, results of operations and prospects.*

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by centre or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in currency exchange rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse affect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

49. *Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.*

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter "**Government and Other Approvals**" on page 193 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse affect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

50. *Instability in financial markets could materially and adversely affect our results of operations and financial condition.*

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

51. *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, drought 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.

52. *Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.*

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

53. *If certain labour laws become applicable to us, our profitability may be adversely affected.*

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

54. *Our performance is linked to the stability of policies and the political situation in India.*

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse affect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

SECTION IV – INTRODUCTION
THE ISSUE

PRESENT ISSUE IN TERMS OF THIS PROSPECTUS	
Equity Shares Offered through Public Issue⁽¹⁾⁽²⁾	27,60,000 Equity Shares aggregating to ₹ 2,484.00 Lakhs
Out of which:	
Issue Reserved for the Market Makers	1,44,000 Equity Shares aggregating to ₹ 129.60 Lakhs.
Net Issue to the Public	26,16,000 Equity Shares aggregating to ₹ 2,354.40 Lakhs.
Out of which*	
A. QIB Portion ⁽³⁾⁽⁴⁾	Not more than 13,05,600 Equity Shares aggregating up to ₹ 1,175.04 lakhs.
Of which	
i) Anchor Investor Portion	7,82,400 Equity Shares aggregating up to ₹ 704.16 lakhs.
ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Not more than 5,23,200 Equity Shares aggregating up to ₹ 470.88 lakhs.
B. Non-Institutional Portion	Not less than 3,93,600 Equity Shares aggregating up to ₹ 354.24 lakhs
C. Retail Portion	Not less than 9,16,800 Equity Shares aggregating up to ₹ 825.12 lakhs
Pre and Post – Issue Equity Shares	
Equity Shares outstanding prior to the Issue	76,80,000 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Issue	1,04,40,000 Equity Shares of face value ₹10 each
Use of Net Proceeds by our Company	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 68 of this Prospectus.

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

Notes:

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on December 17, 2022 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on December 20, 2022.
- 3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.
- 4) 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.

Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the 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 QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled “*Issue Procedure*” beginning on page 224 of this Prospectus.

SUMMARY OF OUR FINANCIALS

ANNEXURE – I

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars	Annexure No.	As at March 31,		
		2023	2022	2021
I. EQUITY AND LIABILITIES				
(1) Shareholder's Funds				
(a) Share Capital	V	768.00	200.00	200.00
(b) Reserves and Surplus	VI	1,591.90	1,114.78	653.38
(2) Share Application Money Pending Allotment		-	-	124.88
(3) Non-Current Liabilities				
(a) Long-Term Borrowings	VII	305.90	408.00	1,032.13
(b) Deferred Tax Liability(Net)	VIII		-10.07	-14.67
(c) Long term provision	IX	31.62	28.37	24.27
(d) Other long-term Liabilities		-	-	-
(4) Current Liabilities				
(a) Short Term Borrowing	X	406.03	565.79	414.21
(b) Trade Payables	XI	2,418.75	2,069.39	1,269.89
(c) Other Current Liabilities	XII	616.07	781.07	397.61
(d) Short-Term Provisions	XIII	352.53	280.26	188.13
Total		6,490.79	5,437.59	4,289.84
II.ASSETS				
(1) Non-Current Assets				
(a) Property, Plant & Equipments				
- Tangible Assets	XIV	1,315.23	1,157.33	1,189.93
- Intangible Assets		-	-	-
(b) Non-Current Investment	XV	36.15	81.85	118.20
(c) Deferred Tax Assets (net)	VIII	21.49	-	-
(d) Long-term loans and advances	XVI	446.53	436.14	424.24
(e) Other non-current assets		-	-	-
(2) Current Assets				
(a) Inventories	XVII	1,480.66	1,284.30	1,483.69
(b) Trade receivables	XVIII	1,719.80	1,565.53	427.24
(c) Cash and Cash Equivalents	XIX	845.65	582.58	151.65
(d) Short-Term Loans And Advances	XX	501.35	229.74	216.93
(e) Other Current Assets	XXI	123.93	100.13	277.95
Total		6,490.79	5,437.59	4,289.84

ANNEXURE – II

STATEMENT OF PROFIT AND LOSS AS RESTATED

(₹ In Lakhs)

Sr. No.	Particulars	Annexure No.	For the year ended March 31,		
			2023	2022	2021
A	<u>Revenue:</u>				
	Revenue From Operations	XXII	10,914.82	10,357.00	5,976.46
	Other Income	XXIII	234.85	220.02	88.73
	Total Revenue		11,149.68	10,577.02	6,065.19
	<u>Expenses:</u>				
B	Cost of Material Consumed	XXIV	8,197.24	8,149.31	4,926.61
	Changes in inventories of finished goods	XXV	-150.72	20.27	-179.57
	Employee benefit expenses	XXVI	666.43	576.06	378.28
	Financial Cost	XXVII	191.26	163.91	180.71
	Depreciation and amortization expenses	XXVIII	84.97	74.86	63.43
	Others Expenses	XXIX	1,154.76	981.42	543.69
	Total Expenses		10,143.95	9,965.82	5,913.15
C	Profit before exceptional, extraordinary items and tax		1,005.72	611.19	152.04
	Less: Exceptional Items		-	-	-
	Profit before extraordinary items and tax (A-B)		1,005.72	611.19	152.04
	Prior Period Items		-	-	-
	Extra ordinary items		-	-	-
D	Profit before tax		1,005.72	611.19	152.04
	<i>Tax expense:</i>				
	Current tax		252.04	145.19	26.88
	Deferred Tax		-11.42	4.60	10.63
	Profit/(Loss) for the period After Tax- PAT		765.11	461.40	114.53
			-	-	-
	No. of Shares		76,80,000	20,00,000	20,00,000
E	Earning per Equity Share: Basic/Diluted				
	(1) Basic		10.28	8.96	2.22
F	(2) Diluted		10.28	8.96	2.22

STATEMENT OF CASH FLOW AS RESTATED

(₹ In Lakhs)

Particulars	For the year ended March 31,		
	2023	2022	2021
Cash Flow from Operating Activities:			
Net Profit before tax as per Profit and Loss A/c	1,005.72	611.19	152.04
Adjustments for:			
Depreciation & Amortisation Expense	84.97	74.86	63.43
Interest Income	-50.35	-12.39	-15.84
Finance Cost	191.26	163.91	180.71
Loss on Sale of fixed assets	2.30	-	-
Previous years Adjustments	-	-	-
Operating Profit Before Working Capital Changes	1,233.91	837.57	380.34
Adjusted for (Increase)/ Decrease in:			
Short term provision	17.49	17.49	17.80
Trade Receivables	-154.27	-1,138.29	114.04
Inventories	-196.36	199.39	-3.77
Other current assets	-23.80	142.11	-31.85
Trade Payables	349.36	799.50	-427.21
Other Current Liabilities	-165.00	383.45	-40.43
Cash Generated from Operations	-172.58	403.65	-371.41
Appropriation of Profit	-	-	-
Net Income Tax paid/ refunded	197.26	34.84	36.02
Net Cash Flow from/ (used in) Operating Activities: (A)	864.07	1,206.38	-27.08
Cash Flow from Investing Activities:			
Net (Purchases)/Sales of Fixed Assets (including capital work in progress)	-245.17	-42.26	-238.85
Interest Income	50.35	12.39	15.84
Net Increase/(Decrease) in long term loans and Advances	-10.39	-11.90	-9.85
Net Increase/(Decrease) in Current Investment	45.70	36.36	-
Net Cash Flow from/ (used in) Investing Activities: (B)	-159.51	-5.41	-232.86
Cash Flow from Financing Activities:			
Net Increase/(Decrease) in Long Term Borrowings	-102.10	-624.13	282.03
Net Increase/(Decrease) in Long Term Provisions	3.26	4.10	4.65
Net Increase/(Decrease) in Other Long-Term Liabilities	-	-	-
Net Increase/(Decrease) in Short Term Borrowing	-159.77	151.58	-219.00
Net (Increase)/Decrease in Short Term Advance	-271.61	-12.81	39.85
Net (Increase)/Decrease in Other non-current assets	-	-	-
Application Money Received / Refunded	-	-124.88	124.88
Proceeds from Issue of Shares	280.00	-	-
Interest on borrowings	-191.26	-163.91	-180.71
Net Cash Flow from/ (used in) Financing Activities (C)	-441.49	-770.05	51.71
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	263.07	430.93	-208.24
Cash & Cash Equivalents as At Beginning of the Year	582.58	151.65	359.89
Cash & Cash Equivalents as At End of the Year	845.65	582.58	151.65

GENERAL INFORMATION

Brief Summary:

Our Company was originally incorporated as “Hemant Surgical Industries Private Limited” vide Certificate of Incorporation dated March 27, 1989, bearing registration No. 051133 issued by Registrar of Companies, Maharashtra, Mumbai and CIN No. U33110MH1989PTC051133. Subsequently our Company was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on January 24, 1994 and consequently the name of our Company was changed from “Hemant Surgical Industries Private Limited” to “Hemant Surgical Industries Limited” vide fresh Certificate of Incorporation granted to our Company consequent upon conversion into public limited company dated February 22, 1994 by the Registrar of Companies, Mumbai bearing Corporate Identification Number U33110MH1989PLC051133.

For further details please refer to chapter titled “**History and Corporate Structure**” beginning on page 115 of this Prospectus.

CIN	U33110MH1989PLC051133
Registration No.	051133
Date of Incorporation	March 27, 1989
Registered Office	502, 5th Floor, Ecstasy Business Park, Co-Op Society Limited, J.S.D. Road, Mulund (West), Mumbai – 400 080, India Tel. No.: 022-25915289/ 022-25912747 Email: cs@hemantsurgical.com Website: www.hemantsurgical.com
Designated Stock Exchange	SME Platform of BSE Ltd. “BSE SME”
Address of the Registrar of Companies	Registrar of Companies, Mumbai 100, Everest, Marine Drive Mumbai- 400002, Maharashtra, India Tel No: 022-22812627/22020295/22846954 Fax No: 022-22811977 Email id: roc.mumbai@mca.gov.in Website: www.mca.gov.in

Board of Directors:

The Board of Directors of our Company as on the date of filing of this Prospectus consists of:

Name	Designation	Address	DIN
Hanskumar Shamji Shah	Chairman & Managing Director	1405, Shobha Suman Bldg, M. M. Malviya Road, Opposite Telephone Exchange, Mumbai, Mulund West, Maharashtra, India – 400080	00215972
Hemant Praful Shah	Whole-time Director	1405, Shobha Suman Bldg, M. M. Malviya Road, Opposite Telephone Exchange, Mumbai, Mulund West, Mumbai, Maharashtra, India- 400080	00215994
Kaushik Hanskumar Shah	Whole-time Director and CFO	1405, Shobha Suman Bldg, M. M. Malviya Road, Opposite Telephone Exchange, Mumbai, Mulund West, Maharashtra, India – 400080	01483743
Nehal Babu Karelia	Non-Executive Director	6B/801, Neelam Nagar, Gavanpada Road, next to Hari Om Sweets, Mulund East, Mumbai, Maharashtra-400081	09845001
Pooja Kirti Kothari	Independent Director	16, Row House, Pawar Nagar, Rsc3, New Mhada Colony, Apna Bazar, Thane, Maharashtra-400610	09833311
Sourabh Ajmera	Independent Director	Flat No. 1403, Tower 3, Challengers CHSL, Thakur Village, Behind Thakur Miraj Cinema, Kandivali East, Mumbai-400101	06876514

For further details in relation to our directors, please refer to chapter titled “**Our Management**” on page 119 of this Prospectus.

Chief Financial Officer	Company Secretary & Compliance Officer
Kaushik Hanskumar Shah Hemant Surgical Industries Limited Address: 502, 5th Floor, EcstasyBusiness Park, Co-Op Society Limited, J.S.D. Road, Mulund (West), Mumbai – 400 080, India Tel. No.: 022-25915289/ 022-25912747	Meenal Ajmera Hemant Surgical Industries Limited Address: 502, 5th Floor, EcstasyBusiness Park, Co-Op Society Limited, J.S.D. Road, Mulund (West), Mumbai – 400 080, India Tel. No.: 022-25915289/ 022-25912747

Chief Financial Officer	Company Secretary & Compliance Officer
Email: cfo@hemantsurgical.com	Email: cs@hemantsurgical.com
Website: www.hemantsurgical.com	Website: www.hemantsurgical.com

Investor Grievances:

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

All grievances in relation to the application through ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

For all Issue related queries and for redressal of complaints, Applicants may also write to the Book Running Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

All grievances relating to the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as name of the sole or first Applicant, Bid cum Application Form number, Applicants DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. For all Issue related queries and for redressal of complaints, investors may also write to the BRLM.

Details of Key Intermediaries pertaining to this Issue and our Company:

Book Running Lead Manager to the Issue	Legal Advisor to the Issue
Hem Securities Limited Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India Tel No.: +91-22-4906 0000 Email: ib@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com Contact Person: Mrs. Roshni Lahoti SEBI Reg. No.: INM000010981	Samisti Legal LLP Address: T 202, Technopolis, 1-10-74/B, above Ratnadeep Super Market, Chikoti Gardens, Begumpet, Hyderabad- 500016, India Tel No.: +91-40 4003 2244/2247 Email: prashant@samistilegal.in Contact Person: Prashant Jain Designation: Managing Partner Website: www.samistilegal.in
Registrar to the Issue	Statutory Auditor
Bigshare Services Private Limited Address: - S6-2, 6th Floor, Pinnacle Business Park Next to Ahura Centre, Mahakali Caves Road Andheri (East), Mumbai 400093 Maharashtra, India. Telephone: +91-022-6263 8200 Fax No.: +91-022-6263 8299 Email: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Contact Person: Vinayak Morbale Website: www.bigshareonline.com SEBI Registration Number: INR000001385 CIN: U99999MH1994PTC076534	A D V & Associates, Chartered Accountants, Address: B-601, Raylon Arcade, R K Mandir Road, Kondivita, Andheri (East), Mumbai- 400 059 Phone: +91-90290 59911 Email: advassociates@gmail.com Firm Registration No.: 128045W Membership No: 162441 Peer Review Certificate Number: 013993 Contact Person: Ankit Rath
Bankers to the Company	Bankers to the Issue/ Refund Banker/ Sponsor Bank
Bank of Baroda	Axis Bank Limited

Address: Shop No.1, Ground Floor, Anandi Heights, Ganesh Gawade Road, Mulund (West), Mumbai- 400 080 Tel: +91 22 25610330 Email: mulund@bankofbaroda.co.in Contact Person: Mandar M Gaonkar Designation: Senior Manager, Credit	Address: Old Suchak Niwas Murbad Road Kalyan West, Mumbai 421301 Tel: +91 9167105741 Email: Kalyanwest.branchhead@axisbank.com Contact Person: Sanjeev Kohli Website: www.axisbank.com SEBI Registration Number: INBI00000017
Syndicate Member	
Hem Finlease Private Limited Address: 203, Jaipur Tower, M. I. Road, Jaipur Tel No.: +91-0141-4051000 Email: ib@hemsecurities.com Website: www.hemsecurities.com Contact Person: Mr. Ashok Soni SEBI Registration Number: INZ000167734	

Designated Intermediaries:

Self-Certified Syndicate Banks (SCSB's)

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time. For details on Designated Branches of SCSBs collecting the Bid-cum-Application Forms, refer to the above-mentioned SEBI link.

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs/ mobile applications whose name appears on the SEBI website www.sebi.gov.in in at the following path: Home >> Intermediaries/Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he/she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

Syndicate SCSB Branches

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at Specified Locations, refer to the above-mentioned SEBI link.

Registered Brokers

Bidders can submit Bid cum Application Forms in the Issue 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 eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the website of the SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the Registrar to Issue and Share Transfer Agents (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 at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>, as updated from time to time.

Collecting Depository Participants (CDP's)

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

Brokers to the Issue

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

Expert Opinion

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

Except for the reports in the section “*Financial Information of the Company*” and “*Statement of Tax Benefits*” on page 136 and 81 respectively of this Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditors for inclusion of their name. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1933.

Inter-se Allocation of Responsibilities

Since, Hem Securities Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not applicable.

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 ₹ 10,000 Lakh. Since the Issue size is below ₹ 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.

Green Shoe Option

No Green Shoe Option is applicable for this Issue.

Credit Rating

As this is an issue of Equity Shares, there is no credit rating for the Issue.

IPO Grading

Since the issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

Debenture Trustees

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

Filing of Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus with the SEBI/ ROC

The Prospectus is being filed with BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 Maharashtra, India.

The Draft Red Herring Prospectus has not been filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 was filed with the RoC and a copy of this Prospectus shall be filed with the RoC as required under Sections 26 and 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

Book Building Process

Book Building, in the context of the Issue, refers to the process of collection of Bids from bidders on the basis of the Red Herring Prospectus and the Bid Cum Application Forms and the Revision Forms within the Price Band. The Price Band, which were decided by our Company in consultation with the Book Running Lead Manager and advertised in all editions of English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Marathi Edition of Regional

newspaper Pratahkal where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Issue Closing Date.

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

In terms of SEBI ICDR Regulations, QIBs and Non-Institutional Investors were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of number of Equity Shares or the Bid Amount) at any stage. RIIs Bidding could revise their Bid(s) during Bid/ Issue Period and withdraw their Bid(s) until Bid/ Issue Closing date. Allocation in the issue will be made on a proportionate basis.

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 (except Anchor 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 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. For details in this regards, specific attention are invited to the chapter titled “*Issue Procedure*” beginning on page 224 of the Prospectus.

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 the Issue.

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 224 of this Prospectus.

Underwriting

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriter, Hem Securities Limited.

Pursuant to the terms of the Underwriting Agreement dated May 05, 2023 entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakhs)	% of Total Issue Size Underwritten
Hem Securities Limited Address: - 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai 400013, India Tel No.: +91-22-4906 0000 Email: ib@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com Contact Person: Mr. Rohit Sharma SEBI Registration Number.: INM000010981	27,60,000	2,484.00	100%

**Includes 1,44,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, Hem Finlease Private Limited in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

Change in Statutory Auditors during the last three (3) years

Except as stated below, there have been no changes in our Company’s auditors in the last three (3) years.

Details of Auditors	Date of Change	Reason
A D V & Associates, Chartered Accountants, Address: B-601, Raylon Arcade, RK Mandir Road, Kondivita, Andheri (East), Mumbai-400 059, India Phone: +91-90290 59911 Email: advassociates@gmail.com Firm Registration No.: 128045W Membership No: 162441 Contact Person: Ankit Rathi	13.04.2022	Appointment in case of casual vacancy
Vijay V. Dedhia and Co. Chartered Accountants, Address: 304, Sharda Chambers No.1, 31, K.N. Road, Bhat Bazar, Mumbai-400 009, India Phone : +91-9821412824 Email: vijay.dedhia@rediffmail.com Firm Registration No.: 111439W Membership No: 042197 Contact Person: Vijay V. Dedhia	21.03.2020	Resignation due to pre-occupation in other assignments.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue at any time after the Bid/ Issue Opening Date but before the allotment of Equity Shares, and in such case a public notice within 2 (two) working days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to 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 with respect to the Equity Shares issued, which our Company will apply for only after Allotment; and (ii) the filing of Prospectus with RoC.

Details of the Market Making arrangement for this Issue

Our Company and the BRLM has entered into Market Making Agreement dated May 05, 2023 with the following Market Maker, to fulfill the obligations of Market Making for this issue:

Name	Hem Finlease Private Limited
Correspondence Address	203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India.
Tel No.	0141-4051000
E-mail	ib@hemsecurities.com
Website	www.hemsecurities.com
Contact Person	Mr. Ashok Soni
SEBI Registration No.	INZ000167734
Market Maker Registration No.	SMEMM0674109092020

The Market Maker shall fulfil 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 BSE and SEBI regarding this matter from time to time.

Following is a summary of the key details pertaining to the Market making arrangement:

- The Market Maker(s) (individually or jointly) 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(s).

- 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 the BSE SME (SME platform of BSE) and SEBI from time to time.
- The minimum depth of the quote shall be ₹1,00,000/-. However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to 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.
- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME platform of BSE (in this case currently the minimum trading lot size is 1,600 equity shares; however the same may be changed by the SME platform of BSE from time to time).
- After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
- There shall be no exemption/ threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 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.
- 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.
- The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 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 3 (three) months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM 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(1) of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 10.00 A.M. to 5.00 P.M. on working days.
- **Risk containment measures and monitoring for Market Makers:** SME portal of BSE will have all margins, which are applicable on BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
- **Punitive Action in case of default by Market Makers:** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties/ fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/ fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities/ trading membership. The

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

- **Price Band and Spreads:** 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.
- Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market 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 buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to ₹20 Crore	25%	24%
₹20 to ₹50 Crore	20%	19%
₹50 to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:

- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

S. No.	Market Price Slab (in ₹)	Proposed Spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	7
4.	Above 100	6

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

CAPITAL STRUCTURE

Set forth below are the details of the Equity Share Capital of our Company as on the date of this Prospectus.

(₹ in Lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	Authorized Share Capital 1,05,00,000 Equity Shares having Face Value of ₹ 10/- each	1,050.00	-
B	Issued, Subscribed & Paid-up Share Capital prior to the Issue 76,80,000 Equity Shares having Face Value of ₹10/- each	768.00	-
C	Present Issue in terms of this Prospectus* 27,60,000 Equity Shares having Face Value of ₹ 10/- each at a Premium of ₹ 80/- per share	276.00	2,484.00
	<i>Which comprises of:</i>		
D	Reservation for Market Maker Portion 1,44,000 Equity Shares of ₹10/- each at a price of ₹ 90 per Equity Share reserved as Market Maker Portion	14.40	129.60
E	Net Issue to Public Net Issue to Public of 26,16,000 Equity Shares of ₹ 10/- each at a price of ₹ 90/- per Equity Share to the Public	261.60	2,354.40
F	Issued, Subscribed and Paid-up Equity Share Capital after the Issue 1,04,40,000 Equity Shares of face value of ₹10/- each		1044.00
G	Securities Premium Account		
	Before the Issue (as on date of this Prospectus)		Nil
	After the Issue**		2,208.00

*The Present Issue of 27,60,000 Equity Shares in terms of this Prospectus has been authorized pursuant to a resolution of our Board of Directors dated December 17, 2022 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of the members held on December 20, 2022

**Subject to finalisation of the Basis of Allotment.

Classes of Shares-

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

NOTES TO THE CAPITAL STRUCTURE

1. Changes in Authorized Equity Share Capital of our Company:

Sr. No.	Particulars of increase	Cumulative No. of Equity Shares	Face Value (₹)	Cumulative Authorized Share Capital (₹ in lakhs)	Date of Meeting	Whether AGM/EGM
1.	On incorporation	25,000	100	25.00	On incorporation	N.A.
2.	Increase in Authorised Share Capital from ₹ 25 Lakhs to ₹ 50.00 Lakh	50,000	100	50.00	November 27, 2003	EGM
3.	Increase in Authorised Share Capital from ₹ 50.00 Lakh to ₹ 75 Lakh	75,000	100	75.00	April 21, 2005	EGM
4.	Increase in Authorised Share Capital from ₹ 75.00 Lakh to ₹ 100 Lakh	1,00,000	100	100.00	June 14, 2005	EGM
5.	Increase in Authorised Share Capital from ₹ 100.00 Lakh to ₹ 125.00 Lakh	1,25,000	100	125.00	March 28, 2009	EGM
6.	Increase in Authorised Share Capital from ₹ 125.00 Lakh to ₹ 150.00 Lakh	1,50,000	100	150.00	December 12, 2009	EGM

Sr. No.	Particulars of increase	Cumulative No. of Equity Shares	Face Value (₹)	Cumulative Authorized Share Capital (₹ in lakhs)	Date of Meeting	Whether AGM/EGM
7.	Increase in Authorised Share Capital from ₹ 150.00 Lakh to ₹ 200.00 Lakh	2,00,000	100	200.00	June 03, 2016	EGM
8.	Increase in Authorised Share Capital from ₹ 200.00 Lakh to ₹ 750.00 Lakh	7,50,000	100	750.00	October 18, 2021	EGM
9.	Increase in Authorised Share Capital from ₹ 750.00 Lakh to ₹ 1,050.00 Lakh	10,50,000	100	1050.00	April 13, 2022	EGM
10.	Sub-division of Face value of Equity Shares of the Company from 10,50,000 Equity Shares of 100/- per Equity Share to 1,05,00,000 Equity shares of 10/- per Equity Share	1,05,00,000	10	1050.00	January 03, 2023	EGM

2. Equity Share Capital History of our Company:

a) Equity Share Capital

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

Date of Allotment of Equity Shares	No. of Equity Shares allotted	Face Value (₹)	Issue Price (including Premium if applicable (₹))	Consideration Cash/ Other than Cash	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Securities Premium (₹)	Cumulative Paid-Up Capital (₹)
Upon Incorporation	1000	100	100	Cash	Subscription to MOA ⁽ⁱ⁾	1,000	Nil	1,00,000
Not Ascertainable*	38,120**	100	*	*	Further Issue ⁽ⁱⁱ⁾	39,120	Nil	39,12,000
Not Ascertainable*	10,880	100	*	*	Further Issue ⁽ⁱⁱⁱ⁾	50,000	Nil	50,00,000
Not Ascertainable*	25,000	100	*	*	Further Issue ^(iv)	75,000	Nil	75,00,000
Not Ascertainable*	22,080	100	*	*	Further Issue ^(v)	97,080	Nil	97,08,000
March 31, 2007	2,920	100	100	Cash	Further Issue ^(vi)	1,00,000	Nil	1,00,00,000
December 11, 2009	25,000	100	100	Cash	Further Issue ^(vii)	1,25,000	Nil	1,25,00,000
December 30 2009	25,000	100	100	Cash	Further Issue ^(viii)	1,50,000	Nil	1,50,00,000
August 06, 2016	7,000	100	100	Cash	Right Issue ^(ix)	1,57,000	Nil	1,57,00,000
September 08,	3,400	100	100	Cash	Right Issue	1,60,400	Nil	1,60,40,000

Date of Allotment of Equity Shares	No. of Equity Shares allotted	Face Value (₹)	Issue Price (including Premium if applicable (₹))	Consideration Cash/ Other than Cash	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Securities Premium (₹)	Cumulative Paid-Up Capital (₹)
2016					(x)			
November 30, 2016	1,900	100	100	Cash	Right Issue ^(xi)	1,62,300	Nil	1,62,30,000
December 02, 2016	1,500	100	100	Cash	Right Issue ^(xii)	1,63,800	Nil	1,63,80,000
December 20, 2016	2000	100	100	Cash	Right Issue ^(xiii)	1,65,800	Nil	1,65,80,000
March 31, 2017	14,380	100	100	Cash	Right Issue ^(xiv)	1,80,180	Nil	1,80,18,000
July 28, 2017	5,000	100	100	Cash	Right Issue ^(xv)	1,85,180	Nil	1,85,18,000
August 11, 2017	4,600	100	100	Cash	Right Issue ^(xvi)	1,89,780	Nil	1,89,78,000
October 19, 2017	5,720	100	100	Cash	Right Issue ^(xvii)	1,95,500	Nil	1,95,50,000
March 01, 2018	4,500	100	100	Cash	Right Issue ^(xviii)	2,00,000	Nil	2,00,00,000
July 11, 2022	2,80,000	100	100	Cash	Right Issue ^(xix)	4,80,000	Nil	4,80,00,000
December 21, 2022	2,88,000	100	100	Other than cash	Bonus Issue in the ratio of 3:5 ^(xx)	7,68,000	Nil	7,68,00,000
<p><i>Pursuant to Shareholders' resolution dated January 03, 2023 the face value of Equity Shares of our Company was subdivided from 100.00 per Equity Share to 10.00 per Equity Share. Therefore, 7,68,000 equity shares of our Company of face value of ₹ 100 each was sub-divided into 76,80,000 equity shares of face value of ₹10 each and after sub-division the paid-up share capital was as follows:</i></p>								
Post Sub-division	76,80,000	10	-	-	-	76,80,000	Nil	7,68,00,000

All the above-mentioned shares are fully paid up since the date of allotment

*The form filed with the RoC for the said allotment is not available with the RoC and the Company, thus date of meeting cannot be traced. These details have been inserted here based on the information received from the statutory registers and other records available with the company.

**The allotment is made in various tranches for which the shares allotted in a particular tranche and date of allotment is not ascertainable.

(i) Initial Subscribers to the Memorandum of Association subscribed 1,000 Equity Shares of Face Value of Rs. 100/- each, details of which are given below:

S. No.	Name of Subscribers	Number of Shares Subscribed
1.	Hanskumar Shamji Shah	500
2.	Jagdish A. Dharmsey	500
	Total	1,000

(ii) Further Issue of 38,120 Equity Shares of Face Value of Rs.100/- each as per details given below:

S. No.	Name of Allottees	Number of Shares
1.	Hanskumar Shamji Shah	16680
2.	Jagdish A. Dharmsey	2,000
3.	Hemant Praful Shah	2,365

S. No.	Name of Allottees	Number of Shares
4.	Leena Hanskumar Shah	1,515
5.	Hanskumar S Shah (HUF)	1,500
6.	Ranjan Praful Shah	3,000
7.	Neha Hanskumar Shah	1,510
8.	Kaushik Hanskumar Shah	650
9.	Rita Bharat Munvar	1,400
10.	Neha Hemant Shah	520
11.	Mulraj A Dharamsey	950
12.	Bijal M Dharamsey	700
13.	Rupal M Dharamsey	480
14.	Madhuben M Shah	1,500
15.	Manoj M Shah	1,950
16.	Hira M Dharamsey	900
17.	Vinay Momaya	500
	Total	38,120

(iii) Further Issue of 10,880 Equity Shares of Face Value of Rs.100/- each as per details given below:

S. No.	Name of Allottees	Number of Shares
1.	Hanskumar Shamji Shah	9,880
2.	Hemant Praful Shah	1,000
	Total	10,880

(iv) Further Issue of 25,000 Equity Shares of Face Value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Hanskumar Shamji Shah	9,850
2.	Jagdish A. Dharmsey	2,950
3.	Hemant Praful Shah	1,500
4.	Leena Hanskumar Shah	3,000
5.	Ranjan Praful Shah	2,950
6.	Neha Hanskumar Shah	2,950
7.	Kaushik Hanskumar Shah	1,800
	Total	25,000

(v) Further Issue of 22,080 Equity Shares of Face Value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Hanskumar Shamji Shah	14520
2.	Hemant Praful Shah	430
3.	Neha Hanskumar Shah	400
4.	Kaushik Hanskumar Shah	3780
5.	Neha Hemant Shah	2950
	Total	22,080

(vi) Further Issue of 2,920 Equity Shares of Face Value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Hanskumar Shamji Shah	2,420
2.	Jagdish A. Dharmsey	500
	Total	2,920

(vii) Further Issue of 25,000 Equity Shares of Face Value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Hanskumar Shamji Shah	25000
	Total	25,000

(viii) Further Issue of 25,000 Equity Shares of Face Value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Hanskumar Shamji Shah	25000
	Total	25,000

(ix) Further Issue of 7,000 Equity Shares of Face Value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Kaushik Hanskumar Shah	7,000
	Total	7,000

(x) Further Issue of 3,400 Equity Shares of Face Value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Hanskumar Shamji Shah	3,400
	Total	3,400

(xi) Further Issue of 1,900 Equity Shares of Face Value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Hanskumar Shamji Shah	1,900
	Total	1,900

(xii) Further Issue of 1,500 Equity Shares of Face Value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Kaushik Hanskumar Shah	1,500
	Total	1,500

(xiii) Further Issue of 2,000 Equity Shares of Face Value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Hemant Praful Shah	2,000

(xiv) Further Issue of 14,380 Equity Shares of Face Value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Hanskumar Shamji Shah	4,800
2.	Kaushik Hanskumar Shah	9,580
	Total	14,380

(xv) Right issue of 5,000 Equity Shares of face value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Hanskumar Shamji Shah	5,000
	Total	5,000

(xvi) Right issue of 4,600 Equity Shares of face value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Kaushik Hanskumar Shah	4,600
	Total	4,600

(xvii) Right issue of 5,720 Equity Shares of face value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Kaushik Hanskumar Shah	5,720
	Total	5,720

(xviii) Right issue of 4,500 Equity Shares of face value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Hanskumar Shamji Shah	1,000
2.	Kaushik Hanskumar Shah	1,750
3.	Hemant Praful Shah	1,750
	Total	4,500

(xix) Right issue of 2,80,000 Equity Shares of face value of Rs. 100/- each as per the details mentioned below:

S. No.	Name of Allottees	Number of Shares
1.	Hanskumar Shamji Shah	93,333
2.	Kaushik Hanskumar Shah	93,334
3.	Hemant Praful Shah	93,333
	Total	2,80,000

(xx) Bonus Issue of 2,88,000 Equity Shares of Face Value of Rs. 100/- each in the ratio of 3:5 i.e. Three (3) Bonus Equity shares for every Five (5) Equity share held by shareholders. (refer point no. 3 below for allottees list)

b) Preference Share Capital

As on the date of this Prospectus, our Company does not have any Preference Share Capital.

3. Issue of Equity Shares for consideration other than cash

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

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason for Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
December 21, 2022	2,88,000	10	-	Bonus in the ratio of 3:5 i.e. 3 Equity Shares for every 5 Equity Share held	Capitalization of Reserves & Surplus *	Hanskumar Shamji Shah	1,32,240
						Kaushik Hanskumar Shah	78,867
						Hemant Praful Shah	65,028
						Neha Hanskumar Shah	2,916
						Neha Hemant Shah	2,082
						Leena Hanskumar Shah	3,297
						Ranjan Praful Shah	3,570
						Total	2,88,000

*Above allotment of shares has been made out of Reserve & Surplus available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose.

4. Details of Allotment made in the last two years preceding the date of Prospectus:

Except as mentioned in 3 above, we have not issued any Equity Share in the last two years preceding the date of Prospectus.

- No Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under the erstwhile corresponding provisions of the Companies Act, 1956.
- Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
- Except for the Bonus Issue made on December 21, 2022 for 2,88,000 Equity Shares as mentioned in point no. 3 above, no Equity shares have been issued at price below the Issue price within last one year from the date of the Prospectus
- We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

9. Shareholding Pattern of the Company

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

I - Our Shareholding Pattern:-

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCR, 1957) As a % of (A+B+C2)	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 a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held (b)	No.	As a % of total Shares held (b)	
								Class Equity Shares of Rs.10/- each^	Class I shares	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII	XIII	XIV		
(A)	Promoters & Promoter Group	7	76,80,000	-	-	76,80,000	100	76,80,000	-	76,80,000	100	-	-	-	-	-	76,80,000	
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)	Non-Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	7	76,80,000	-	-	76,80,000	100	76,80,000	-	76,80,000	100	-	-	-	-	-	76,80,000	

Notes-

- As on date of this Prospectus 1 Equity share holds 1 vote. We have only one class of Equity Shares of face value of ₹ 10/- each.
- We have entered into tripartite agreement with CDSL & NSDL.
- Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the Stock Exchange before commencement of trading of such Equity Shares.

10. List of Shareholders of the Company holding 1% or more of the paid up Share Capital of the Company:-

a) As on the date of filing of this Prospectus:-

Sr.No	Names of Shareholder	Shares Held (Face Value of Rs. 10 each)	% Pre Issue paid up Share Capital*
1.	Hanskumar Shamji Shah	35,26,400	45.92%
2.	Kaushik Hanskumar Shah	21,03,120	27.38%
3.	Hemant Praful Shah	17,34,080	22.58%
4.	Naman Hemant Shah	95,200	1.24%
5.	Leena Hanskumar Shah	87,920	1.14%
6.	Neha Hanskumar Shah	77,760	1.02%
	Total	76,24,480	99.28%

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

b) Ten days prior to the date of filing of this Prospectus: -

Sr.No	Names of Shareholder	Shares Held (Face Value of Rs. 10 each)	% Pre Issue paid up Share Capital*
1.	Hanskumar Shamji Shah	35,26,400	45.92%
2.	Kaushik Hanskumar Shah	21,03,120	27.38%
3.	Hemant Praful Shah	17,34,080	22.58%
4.	Naman Hemant Shah	95,200	1.24%
5.	Leena Hanskumar Shah	87,920	1.14%
6.	Neha Hanskumar Shah	77,760	1.02%
	Total	76,24,480	99.28%

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

c) One Year prior to the date of filling of this Prospectus: -

Sr. No	Names of Shareholder	Shares Held (Face Value of Rs. 100 each)	% Pre Issue paid up Share Capital
1.	Hanskumar Shamji Shah	1,25,670	62.84
2.	Kaushik Hanskumar Shah	32,160	16.08
3.	Hemant Praful Shah	15,045	7.52
4.	Jagdish A. Dharmsey	5,950	2.97
5.	Ranjan Praful Shah	5,950	2.97
6.	Leena Hanskumar Shah	5,495	2.75
7.	Neha Hanskumar Shah	4,860	2.43
8.	Neha Hemant Shah	3,470	1.74
	Total	1,98,600	99.30%

*Details of shares held on May 03, 2022 and percentage held has been calculated based on the paid-up capital of our Company as on May 03, 2022

d) Two Year prior to the date of filling of this Prospectus: -

Sr. No	Names of Shareholder	Shares Held (Face Value of Rs. 100 each)	% Pre Issue paid up Share Capital
1.	Hanskumar Shamji Shah	1,25,670	62.84
2.	Kaushik Hanskumar Shah	32,160	16.08
3.	Hemant Praful Shah	15,045	7.52
4.	Jagdish A. Dharmsey	5,950	2.97
5.	Ranjan Praful Shah	5,950	2.97

6.	Leena Hanskumar Shah	5,495	2.75
7.	Neha Hanskumar Shah	4,860	2.43
8.	Neha Hemant Shah	3,470	1.74
	Total	1,98,600	99.30%

*Details of shares held on May 03, 2021 and percentage held has been calculated based on the paid-up capital of our Company as on May 03, 2021.

11. Our Company has not made any Initial Public Offer of specified securities in the preceding two years from the date of filing of this Prospectus.
12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split/ consolidation of the denomination of Equity Shares. However, our Company may further issue equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

13. Capital Buildup in respect of Shareholding of our Promoters

As on the date of this Prospectus, Our Promoters, Hanskumar Shamji Shah, Kaushik Hanskumar Shah and Hemant Praful Shah hold 73,63,600 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

Set forth below is the build-up of the shareholding of our Promoters in our Company since incorporation.

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding %	Post-Issue Shareholding %
(A) Hanskumar Shamji Shah							
March 27, 1989	500	100	100		On Incorporation	0.07	0.05
Not Ascertainable *	16,680	100	100	*	Further issue	2.17	1.60
Not Ascertainable *	9,880	100	100	*	Further issue	1.29	0.95
Not Ascertainable *	9,850	100	100	*	Further issue	1.29	0.94
Not Ascertainable *	14,520	100	100	*	Further issue	1.89	1.39
March 31, 2007	2,420	100	100	Cash	Further issue	0.32	0.23
December 11, 2009	25,000	100	100	Cash	Further issue	3.25	2.39
December 30, 2009	25,000	100	100	Cash	Further issue	3.25	2.39
September 08, 2016	3,400	100	100	Cash	Right issue	0.44	0.33
November 30, 2016	1,900	100	100	Cash	Right issue	0.25	0.18
March 31, 2017	4,800	100	100	Cash	Right Issue	0.62	0.46
July 28, 2017	5,000	100	100	Cash	Right issue	0.65	0.48
October 19, 2017	5,720	100	100	Cash	Right issue	0.74	0.55

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding %	Post-Issue Shareholding %
March 01, 2018	1,000	100	100	Cash	Right issue	0.13	0.10
May 31, 2022	1400	100	Nil	Gift	Acquisition by way of Transfer of shares ⁽ⁱ⁾	0.18	0.13
July 11, 2022	93,333	100	100	Cash	Right issue	12.15	8.94
November 1, 2022	(3)	100	Nil	Gift	Disposal of shares by way of Transfer ⁽ⁱⁱ⁾	(0.00)	(0.00)
December 21, 2022	1,32,240	100	Nil	Other than Cash	Bonus Issue in the ratio of 3:5	17.22	12.67
<i>Pursuant to Shareholders' resolution dated January 03, 2023 the face value of Equity Shares of our Company was subdivided from Rs.100.00 per Equity Share to Rs.10.00 per Equity Share.</i>							
Post Subdivision	35,26,400	10	-	-	-	45.92	33.78
Total	35,26,400	10				45.92	33.78
(B) Kaushik Hanskumar Shah							
Not Ascertainable *	650	100	100	Cash	Further issue	0.08	0.06
Not Ascertainable *	1,800	100	100	Cash	Further issue	0.23	0.17
Not Ascertainable *	3780	100	*	*	Further issue	0.49	0.36
April 09, 2014	1,500	100	100	Gift	Acquisition by way of Transfer of shares ⁽ⁱⁱⁱ⁾	0.19	0.14
August 06, 2016	7,000	100	100	Cash	Right Issue	0.91	0.67
December 02, 2016	1,500	100	100	Cash	Right Issue	0.19	0.14
March 31, 2017	9,580	100	100	Cash	Right Issue	1.25	0.92
August 11, 2017	4,600	100	100	Cash	Right Issue	0.60	0.44
March 01, 2018	1,750	100	100	Cash	Right Issue	0.23	0.17
June 15, 2022	5,950	100	Nil	Gift	Acquisition by way of Transfer of shares ^(iv)	0.77	0.57
July 11, 2022	93,334	100	100	Cash	Right Issue	12.15	8.94
November 01, 2022	1	100	Nil	Gift	Acquisition by way of Transfer of shares ^(v)	0.00	0.00
December 21, 2022	78,867	100	Nil	Other than Cash	Bonus Issue in the ratio of 3:5	10.27	7.55
<i>Pursuant to Shareholders' resolution dated January 03, 2023 the face value of Equity Shares of our Company was subdivided from Rs.100.00 per Equity Share to Rs.10.00 per Equity Share.</i>							

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding %	Post-Issue Shareholding %
Post Subdivision	21,03,120	10	-	-	-	27.38	20.14
Total	21,03,120	10				27.38	20.14
(C) Hemant Praful Shah							
Not Ascertainable *	2,365	100	*	*	Further Issue	0.30	0.23
Not Ascertainable *	1,000	100	*	*	Further Issue	0.13	0.10
Not Ascertainable *	1,500	100	*	*	Further Issue	0.19	0.14
Not Ascertainable *	430	100	*	*	Further Issue	0.00	0.04
Not Ascertainable *	6,000	100	*	*	Acquisition of shares by way of transfer ^(vi)	0.78	0.57
December 20, 2016	2,000	100	100	Cash	Right Issue	0.26	0.19
March 01, 2018	1,750	100	100	Cash	Right Issue	0.23	0.17
July 11, 2022	93,333	100	100	Cash	Right Issue	12.15	8.94
November 01, 2022	2	100	Nil	Gift	Acquisition of shares by way of transfer ^(vii)	0.00	0.00
December 21, 2022	65,028	100	Nil	Other than Cash	Bonus Issue in the ratio of 3:5	8.47	6.23
<i>Pursuant to Shareholders' resolution dated January 03, 2023 the face value of Equity Shares of our Company was subdivided from Rs.100.00 per Equity Share to Rs.10.00 per Equity Share.</i>							
Post Subdivision	17,34,080	10				22.58	16.61

Note: None of the Shares have been pledged by our Promoters.

*The form filed with the RoC for the said allotment is not available with the RoC and the Company, thus date of meeting cannot be traced. These details have been inserted here based on the information received from the statutory registers and other records available with the company.

(i) Details of Acquisition by Hanskumar Shamji Shah by way of transfer of 1,400 Equity Shares dated May 31, 2022

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares	Name of Transferee
1.	May 31, 2022	Rita Bharat Munvar	1,400	Hanskumar Shamji Shah

(ii) Details of disposal of shares by Hanskumar Shamji Shah of 3 Equity Shares dated November 01, 2022

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares	Name of Transferee
1.	November 01, 2022	Hanskumar Shamji Shah	1	Kaushik Hanskumar Shah
			2	Hemant Praful Shah

(iii) Details of Acquisition by Kaushik Hanskumar Shah by way of transfer of 1,500 Equity Shares dated April 09, 2014

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares	Name of Transferee
1.	April 09, 2014	Hanskumar S Shah (HUF)	1,500	Kaushik Hanskumar Shah

(iv) Details of Acquisition by Kaushik Hanskumar Shah by way of transfer of 5,950 Equity Shares dated June 15, 2022

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares	Name of Transferee
1.	June 15, 2022	Jagdish A. Dharmsey	5,950	Kaushik Hanskumar Shah

(v) Details of Acquisition by Kaushik Hanskumar Shah by way of transfer of 1 Equity Shares dated November 01, 2022

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares	Name of Transferee
1.	November 01, 2022	Hanskumar Shamji Shah	1	Kaushik Hanskumar Shah

(vi) Details of Acquisition by Hemant Praful Shah by way of transfer of 6000 Equity Shares

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares	Name of Transferee
1.	Not Ascertainable	Mulraj A Dharamshi	950	Hemant Praful Shah
2.		Bijal M Dharamshi	700	
3.		Madhuben M Shah	1,500	
4.		Manoj M Shah	1,950	
5.		Hira M Dharamshi	900	

(vii) Details of Acquisition by Hemant Praful Shah by way of transfer of 2 Equity Shares dated November 01, 2022

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares	Name of Transferee
1.	November 01, 2022	Hanskumar Shamji Shah	2	Hemant Praful Shah

14. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Hanskumar Shamji Shah	35,26,400	6.21
2.	Kaushik Hanskumar Shah	21,03,120	5.90
3.	Hemant Praful Shah	17,34,080	5.90

15. Shareholding of Promoters & Promoter Group

Following are the details of pre and post Issue shareholding of persons belonging to the category “Promoter and Promoter Group”:

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoter				
1.	Hanskumar Shamji Shah	35,26,400	45.92	35,26,400	33.78
2.	Kaushik Hanskumar Shah	21,03,120	27.38	21,03,120	20.14
3.	Hemant Praful Shah	17,34,080	22.58	17,34,080	16.61
	Sub Total (A)	73,63,600	95.88	73,63,600	70.53
	Promoter Group				
4.	Naman Hemant Shah	95,200	1.24	95,200	0.91
5.	Leena Hanskumar Shah	87,920	1.14	87,920	0.84
6.	Neha Hanskumar Shah	77,760	1.02	77,760	0.74
7.	Neha Hemant Shah	55,520	0.72	55,520	0.53
	Sub Total (B)	3,16,400	4.12	3,16,400	3.03
	Grand Total (A+B)	76,80,000	100.00	76,80,000	73.56

16. Except as provided below, no Equity Shares were acquired/ purchased/ sold by the Promoters and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Prospectus.

Date of Allotment	Particulars	No. of Equity Shares	% of Pre-Issue Capital	Subscribed/ Acquire/ Transfer	Category of Allottees (Promoter/ Promoter Group/ Director)
November 01, 2022	Hanskumar Shamji Shah	(3)	0.00	Disposal of shares by way of Transfer	Promoter/ Director
	Kaushik Hanskumar Shah	1	0.00	Acquire by	Promoter/ Director

Date of Allotment	Particulars	No. of Equity Shares	% of Pre-Issue Capital	Subscribed/ Acquire/ Transfer	Category of Allottees (Promoter/ Promoter Group/ Director)
	Hemant Praful Shah	2	0.00	way of transfer of shares	Promoter/ Director
December 21, 2022	Hanskumar Shamji Shah	1,32,240	17.22	Acquire by way of Bonus Issue in the ratio of 3:5	Promoter/ Director
	Kaushik Hanskumar Shah	78,867	10.27		Promoter/ Director
	Hemant Praful Shah	65,028	8.47		Promoter/ Director
	Ranjan Praful Shah	3,570	0.46		Promoter Group
	Leena Hanskumar Shah	3,297	0.43		Promoter Group
	Neha Hanskumar Shah	2,916	0.38		Promoter Group
	Neha Hemant Shah	2,082	0.27		Promoter Group
January 16, 2023	Naman Hemant Shah	59,500	0.77	Acquire by way of transfer	Promoter Group
February 22, 2023		35,700	0.46	Acquire by way of transfer	Promoter Group

17. None of our Promoters, Promoter Group, our directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Prospectus.

18. Details of Promoter's Contribution Locked-in for Three Years

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post issue capital held by our 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 issued pursuant to this Issue. The lock in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Prospectus, our Promoters hold 73,63,600 Equity Shares constituting 70.53 % of the Post-Issued, subscribed and paid up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Our Promoters have given written consent to include 21,00,000 Equity Shares held by them and subscribed and held by them as part of Promoter's Contribution constituting 20.11% of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ transfer and made fully paid up	No. of Equity Shares locked-in	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding %	Lock in Period
Hanskumar Shamji Shah						
*	98,500	10	10	*	0.94	3 Years
*	1,45,200	10	10	*	1.39	
March 31, 2007	24,200	10	10	Right Issue	0.23	
December 11, 2009	2,50,000	10	10	Right Issue	2.39	
December 30, 2009	2,50,000	10	10	Right Issue	2.39	
September 08, 2016	34,000	10	10	Right Issue	0.33	
November 30, 2016	19,000	10	10	Right Issue	0.18	
March 31, 2017	48,000	10	10	Right Issue	0.46	
December 21, 2022	6,88,570	-	-	Bonus	6.60	
TOTAL	15,57,470					
Kaushik Hanskumar Shah						
April 09, 2014	15,000	10	10	Acquisition by way of	0.14	3 Years

Date of Allotment/transfer and made fully paid up	No. of Equity Shares locked-in	Face Value Per Share (₹)	Issue/Acquisition/Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding %	Lock in Period
				transfer of shares		
August 06, 2016	70,000	10	10	Right Issue	0.67	
December 02, 2016	15,000	10	10	Right Issue	0.14	
March 31, 2017	95,800	10	10	Right Issue	0.92	
November 08, 2017	46,000	10	10	Right Issue	0.44	
March 01, 2018	17,500	10	10	Right Issue	0.17	
December 21, 2022	1,92,960	-	-	Bonus	1.85	
TOTAL	4,52,260					
Hemant Praful Shah						
December 21, 2022	90,270	-	-	Bonus	0.86	3 Years

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "Promoter" under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoter's Contribution as per Regulation 237 of the SEBI (ICDR) Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this issue.

No Equity Shares proposed to be locked-in as Minimum Promoter's Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

The entire pre-issue shareholding of the Promoters, other than the Minimum Promoter's contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

Eligibility of Share for "Minimum Promoter's Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018

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. Hence Eligible
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. Hence Eligible
237 (1) (b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible.
237(1) (c)	Specified securities allotted to promoter 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, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible.
237 (1) (d)	Specified securities pledged with any creditor.	Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. Hence

Details of Promoter's Contribution Locked-in for One Year

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoter's contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting 55,80,000 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription '**non-transferable**' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

Other requirements in respect of lock-in:

1. In terms of Regulation 242 of the SEBI (ICDR) Regulations, the locked in Equity Shares held by the Promoters as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter's contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
2. In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
3. Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, the specified securities held by the promoters and locked-in as per regulation 238 may be transferred to another promoters or any person of the promoter group or a new promoters or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
19. Neither, we nor our Promoters, Directors and the BRLM to this Issue have entered into any buyback and/ or standby arrangements and/ or similar arrangements for the purchase of our Equity Shares from any person.
20. As on the date of this Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid up Equity shares.
21. The BRLM i.e. Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Prospectus.
22. As on the date of this Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan 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.
23. We have 7(Seven) shareholders as on the date of filing of this Prospectus.
24. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer
25. Our Company has not raised any bridge loan against the proceeds of the Issue.
26. As on the date of this Prospectus, none of the shares held by our Promoters/ Promoter Group are subject to any pledge.

27. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.
28. None of our Equity Shares has been issued out of revaluation reserve created out of revaluation of assets.
29. An over-subscription to the extent of 1% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% 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 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
30. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and Designated Stock Exchange i.e. BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
31. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
32. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
33. Our Company shall comply with such disclosure and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.
34. There are no Equity Shares against which depository receipts have been issued.
35. Other than the Equity Shares, there is no other class of securities issued by our Company.
36. There are no safety net arrangements for this public issue.
37. As per RBI regulations, OCBs were not allowed to participate in this issue.
38. Our Promoters and Promoter Group has not participated in this Issue.
39. This Issue is being made through Book Building Method.
40. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
41. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
42. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

OBJECTS OF THE ISSUE

The issue comprise of a fresh Issue of up to 27,60,000 Equity Shares of our Company at an Issue Price of Rs. 90/- per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects: -

1. Funding Capital Expenditure towards installation of additional plant and machinery.
2. Funding to meet working capital requirements
3. General Corporate Purpose.
4. Issue expenses.

(Collectively referred as the “Objects”)

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the SME platform of BSE (BSE SME). It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

We manufacture, import, assemble and market a comprehensive portfolio of medical equipments and disposables. Our product offerings cover a wide spectrum of equipments and disposables required for (i) Renal Care, (ii) Cardiovascular Disease (iii) Respiratory Disease, (iv) critical Care and radiology and (v) hospital consumables. Our wide range of products include some of the indigenously manufactured products along with some other products that are imported from countries like: Japan, China and France, Australia and are further processed in our assembly units. Our products are CE Certified which makes us eligible to market our products in European Union and many other countries which have adopted EU medical devices directives.

Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amt (Rs. in Lacs)
Gross Proceeds of the Issue	2484.00
Less: Issue related expenses in relation to Issue	313.88
Net Proceeds	2170.12

Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

Sr. No	Particulars	Amt (Rs. in Lacs)
1.	Funding Capital Expenditure towards installation of additional plant and machinery.	751.26
2.	Funding to meet working capital requirements	1000.00
3.	General Corporate Purpose	313.88
	Total	2170.12

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, as discussed further below.

Means of Finance

We intend to finance our Objects of Issue through Net Issue Proceeds which is as follows:

Particulars	Amt (Rs. in Lacs)
Net Issue Proceeds	2170.12
Total	2170.12

Since, the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

Subject to applicable law, if the actual utilization towards the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not

exceed 25% of the Gross Proceeds in accordance with Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in raising the requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilizing our internal accruals and seeking additional debt from existing and/or future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purpose set forth above, increased funding requirements for a particular purpose may be financed by surplus funds, if any, available in respect of other purposes for which funds are being raised in the Fresh Issue. Any variation in the utilization of the Net Proceeds as disclosed in this Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company. The Objects may be varied in the manner provided in “*Objects of the Issue – Variation in Objects*” on page 68

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company’s historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company’s management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled “*Risk Factors*” beginning on page 24 of the Prospectus.

Details of Utilization of Net Proceeds

The details of utilization of the Net Proceeds are set forth herein below:

1. Funding Capital Expenditure towards installation of additional plant and machinery.

Our Company is intends to make capital expenditure towards installation of additional plant & machinery at our Assembly Unit II situated at Atgaon Mumbai. Our Company proposes to use part of net proceeds to the extent to Rs. 751.26 Lakhs to meet capital expenditure in relation to installation of JMTB-1500 Surgical Tape Coating Machine.

A detailed breakup of estimated cost towards the proposed capital expenditure to be funded from the net issue proceeds is set forth below:

Sr. No.	Equipment details	Quotation Amt. (Rs. in lacs) *	Quotation Details
1	JMTB-1500 Surgical Tape Coating Machine	751.26	Quotation Dated May 4, 2023 From XI'AN Aerospace-Huayang Mechanical & Electrical Equipment Co., Ltd., China
	Total	751.26	

(1) The Quotation was received in USD. Conversion rate: 1 USD = ₹ 81.73 as on May 04, 2023. Reference: <https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx>

Notes:

- 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.
- Quotation received from the vendor mentioned above is valid as on the date of this Prospectus. However, we have not entered into any definitive agreements with any of the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the machineries/equipments or at the same costs.
- The machinery/equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of machineries or equipments) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipments or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipments 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.
- We are not acquiring any second hand machinery.
- The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Further,

cost will be escalated on account of freight expenses, installation charges, packaging & forwarding, custom duty etc. Such cost escalation would be met out of our internal accruals

2. Funding to meet working capital requirements

With the expansion of the business company will be in the need of additional working capital requirements.

We fund a majority of our working capital requirements in the ordinary course of business from banks facilities and internal accruals. Our Company requires additional working capital for funding its incremental working capital requirements and releasing the internal accruals deployed in working capital. The funding of the incremental working capital requirements will lead to a consequent increase in our profitability, ability to utilize internal accruals for growth opportunities and achieving the proposed targets as per our business plan.

Our Company proposes to utilize ₹ 1000 lakhs of the Net Proceeds in Fiscal 2024 towards our Company's working capital requirements. The balance portion of our Company working capital requirement shall be met from the working capital facilities availed and internal accruals. The incremental and proposed working capital requirements and key assumptions with respect to the determination of the same are mentioned below:

Details of Estimation of Working Capital requirement are as follows:

<i>(Rs. In Lacs)</i>					
S. No.	Particulars	Actual (Restated)			Estimated
		March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024
I	Current Assets				
	Inventories	1483.69	1284.30	1480.66	1669.95
	Cash and Bank Deposits	151.65	582.58	845.65	888.81
	Trade receivables	427.24	1565.53	1719.80	2196.31
	Short term loans and Advances	216.93	229.74	501.35	551.35
	Other Current Assets	277.95	100.13	123.93	173.93
	Total (A)	2557.46	3762.28	4671.39	5480.35
II	Current Liabilities				
	Trade payables	1269.89	2069.39	2418.75	1865.04
	Other Current Liabilities	397.61	781.07	616.07	536.07
	Short Term Provisions	188.13	280.26	352.53	341.70
	Total (B)	1855.63	3130.72	3387.35	2742.82
III	Total Working Capital Gap (A-B)	701.83	631.56	1284.04	2737.53
IV	Funding Pattern				
	Short Term borrowings and Internal Accruals	701.83	631.56	1284.04	1737.53
	IPO Proceeds				1000.00

Assumptions for working capital requirements

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, as well as projections for financial year ended March 31, 2024.

Particulars	Unit	FY 21	FY 22	FY 23	FY 24
		Audited	Audited	Audited	Estimated
Debtors	Days	30	35	55	55
Creditors	Days	114	76	99	80
Inventories	Days	113	62	63	60

Justification:

Debtors	Our Company expect Debtors Holding days to be around 55 days for F.Y. 2023-24
Inventories	Our Company expect Inventories Holding days to be around 60 days for F.Y. 2023-24
Creditors	Our Company expect Creditors payments days to be around 80 days for F.Y. 2023-24

3. General Corporate Purpose

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

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses of Rs. 313.88 lakhs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

4. Issue Expenses

The total estimated Issue Expenses are Rs. 313.88 lakhs, which is 12.64% of the total Issue Size. The details of the Issue Expenses are tabulated below:

Activity	(Rs. in Lakh) *	As a % of Estimates Issue Expenses	As a % of Issue Size
Lead Manger Fees	25.00	7.96	1.01
Fees Payable to Registrar to the Issue	2.00	0.64	0.08
Fees Payable for Advertising and Publishing Expenses	3.35	1.07	0.13
Fees Payable to Regulators including Stock Exchanges	7.00	2.23	0.28
Payment for Printing & Stationery, Postage, etc.	2.50	0.80	0.10
Fees Payable to Auditor, Legal Advisors and other Professionals	7.00	2.23	0.28
Others (Fees payable for Marketing & distribution expenses, Selling Commission, Brokerage, Processing Fees*, Underwriting fees and Miscellaneous Expenses)	267.03	85.07	10.75
Total	313.88	100.00	12.64

Issue expenses are estimates and are subject to change.

(1) Amounts will be finalised and incorporated in the Prospectus on determination of Issue Price. Issue expenses include applicable taxes, where applicable. Issue expenses are estimates and are subject to change.

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

Portion for Retail Individual Bidders*	0.10% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders*	0.10 % of the Amount Allotted* (plus applicable taxes)

*Amount allotted is the product of the number of Equity Shares Allotted and the Issue Price. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE

(3) No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Individual Bidders	₹10 per valid Bid cum Application Form (plus applicable taxes)
Portion for Non-Institutional Bidders	₹10 per valid Bid cum Application Form (plus applicable taxes)

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹1Lakh (plus applicable taxes) and in case if the total processing fees exceeds ₹1Lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis.

(4) The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows:

Members of the Syndicate/ RTAs/ CDPs (uploading charges)	₹10 per valid application (plus applicable taxes)
Sponsor Bank - Axis Bank Limited	₹7 per valid Bid cum Application Form* (plus applicable taxes) The Sponsor

Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.

*For each valid application by respective Sponsor Bank

Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees payable to Members of the Syndicate/ RTAs/ CDPs for applications made by RIBs (up to ₹200,000), Non-Institutional Bidders (for an amount more than ₹200,000 and up to ₹500,000) using the UPI Mechanism and in case if the total uploading charges/ processing fees exceeds ₹1Lakh (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis.

(5) Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Bidders	0.10% % of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	0.10% % of the Amount Allotted* (plus applicable taxes)

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

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

Bidding charges payable to the Registered Brokers, CRTAs/ CDPs on the portion for RIBs and Non-Institutional Bidders which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing, would be as follows:

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

* Based on valid applications

Notwithstanding anything contained above the total uploading/ bidding charges payable under this clause will not exceed ₹1Lakh (plus applicable taxes) and in case if the total uploading/ bidding charges exceeds ₹1Lakh (plus applicable taxes) then uploading charges will be paid on pro-rata basis.

The Selling Commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate/ Sub-Syndicate Member. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the portion for RIBs and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: ₹10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

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

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement. Further, the processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with 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.

Proposed Schedule of Implementation:

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

(Rs. In Lacs)

S. No.	Particulars	Amount to be deployed and utilized in
		F.Y. 2023-24
1.	Funding Capital Expenditure towards installation of additional plant	751.26

	and machinery.	
2.	Funding of Working Capital Requirements	1000.00
3.	General Corporate Purpose	418.86
4.	Issue Expenses	313.88
	Total	2484.00

Funds Deployed and Source of Funds Deployed:

ADV & Associates, Chartered Accountants vide their certificate dated May 10, 2023 have confirmed that as on date of certificate the following funds have been deployed for the proposed objects of the Issue:

S. No.	Particulars	Amt (Rs. in Lacs)
1.	Issue Expenses	11.72
	Total	11.72

Sources of Financing for the Funds Deployed:

ADV & Associates, Chartered Accountants vide their certificate dated May 10, 2023 have confirmed that as on date of certificate the following funds have been deployed for the proposed objects of the Issue:

S. No.	Particulars	Amt (Rs. in Lacs)
1.	Internal Accruals	11.72
	Total	11.72

Appraisal

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our Business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

Bridge Financing Facilities

As on the date of the Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

Monitoring Utilization of Funds

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

Interim Use of Proceeds

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

Variation in Objects

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

Other confirmations

There are no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or key managerial personnel except in the normal course of business and in compliance with the applicable laws.

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 24, 94 and 136 respectively of the 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.

The Issue Price has been 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 and 9.0 times of the face value.

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 24, 94 and 136 respectively of this Prospectus.

QUALITATIVE FACTORS

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

1. We offer a diversified range of products
2. Existing well established reputation and customer relationships
3. Quality Assurance
4. Experienced management team with industry expertise and successful track record
5. Stable financial performance with improved margins

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 94 of this 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 136 of this 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:-

Sr. No	Period	Basic & Diluted (₹)	Weights
1.	Period ending March 31, 2023	10.28	3
2.	Period ending March 31, 2022	8.96	2
3.	Period ending March 31, 2021	2.22	1
	Weighted Average	8.50	

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.
- 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.
- 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.

2. Price Earning (P/E) Ratio in relation to the Issue Price ₹ 90/- 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 2022-2023	8.27	8.75
P/E ratio based on the Weighted Average EPS, as restated.	10.00	10.59

Industry P/E Ratio*	(P/E) Ratio
Industry Average (Poly Medicare Ltd.)	51.65

* For the purpose of industry, we have considered those companies which are engaged in the similar line of business segment as of our Company, however, they may not be exactly comparable in terms of product portfolio or the size of our Company. The peers have been included for the purpose of broad comparison.

Note:

- The P/E ratio of our Company has been computed by dividing Issue Price with EPS.
- P/E Ratio of the company is based on Audited Financial of the company for the F.Y. 2022-23 and stock exchange data dated May 10, 2023.

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

Sr. No	Period	RoNW (%)	Weights
1	Period ending March 31, 2023	32.42	3
2	Period ending March 31, 2022	35.09	2
3	Period ending March 31, 2021	13.42	1
	Weighted Average	30.14	

*Restated Profit after tax/Net Worth

Note:

- 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

4. Net Asset Value (NAV) per Equity Share:

Sr. No.	NAV per Equity Share*	Amount in Rs.
1.	As at March 31, 2023	31.70
2.	As at March 31, 2022	25.54
3.	As at March 31, 2021	16.58
4.	NAV per Equity Share after the Issue	
	(i) At Floor Price	45.08
	(ii) At Cap Price	46.40
5.	NAV at Issue Price	46.40

*The above NAV has been calculated giving the effect of Bonus Shares

Note: -

- The NAV per Equity Share has been computed by dividing restated networth with weighted average number of equity shares outstanding at the end of the year.

5. Comparison of Accounting Ratios with Industry Peers:

(₹ In lakhs)

Name of Company	Current Market Price (Rs.)	Face Value	EPS	PE	RoNW (%)*	Book Value (Rs.)	Total Income (₹ In lakhs)
			Basic & Diluted				
Hemant Surgical Industries Limited	90.00	10	10.26	8.75	32.42	31.70	10,914.82
Peer Group							
Poly Medicare Ltd.	965.40	5	18.69	51.65	14.44	129.41	1,15,141.58

Notes:

- Source – All the financial information for listed industry peer mentioned above is sourced from the Audited Financials of the aforesaid companies for the year ended March 31, 2023 and stock exchange data dated May 10, 2023 to compute the corresponding financial ratios. For our Company, we have taken Current Market Price as the issue price of equity share.
- Further, P/E Ratio is based on the current market price of the respective scrips.

- (iii) The EPS, NAV, RoNW and Total Income of our Company are taken as per Restated Financial Statement for the Financial Year 2022-23 as adjusted with the effect of Bonus Issue.
- (iv) NAV per share is computed as the closing net worth divided by the closing outstanding number of paid up equity shares as adjusted with the effect of Bonus Issue.
- (v) P/E Ratio of the peer company is based on the Annual Report of the company for the year 2022 (Audited Financial Results for FY 2022-23 not available) and stock exchange data dated May 03, 2023.
- (vi) RoNW has been computed as net profit after tax divided by closing net worth.
- (vii) Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- (viii) The face value of Equity Shares of our Company is Rs. 10/- per Equity Share and the Issue price is 9.0 times the face value of equity share.

6. Key Performance Indicators

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 various verticals in comparison to our peers.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated April 28, 2023 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 Prospectus. Further, the KPIs herein have been certified by ADV & Associates Chartered Accountants, by their certificate dated April 28, 2023

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 94 and 178, 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 utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

Key Performance Indicators of our Company

Key Financial Performance	(Rs. In Lakhs)		
	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations ⁽¹⁾	10,914.82	10,357.00	5976.46
EBITDA ⁽²⁾	1016.89	626.82	306.86
EBITDA Margin ⁽³⁾	9.32%	6.05%	5.13%
PAT	765.11	461.40	114.53
PAT Margin ⁽⁴⁾	7.01%	4.45%	1.92%

Notes:

⁽¹⁾ Revenue from operation means revenue from sales, service and other operating revenues

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

⁽³⁾ ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

⁽⁴⁾ ‘PAT Margin’ is calculated as PAT for the year divided by revenue from operations.

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
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.

7. Set forth below are the details of comparison of key performance of indicators with our listed industry peers:

(₹ in lakhs)

Key Financial Performance	Hemant Surgical Industries Limited			Poly Medicure Ltd.		
	FY 2022-23	FY 2021-22	FY 2020-21	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations ⁽¹⁾	10,914.82	10,357.00	5,976.46	1,11,523.04	92,306.26	78,646.96
EBITDA ⁽³⁾	1016.89	626.82	306.86	30,157.01	25100.46	23608.78
EBITDA Margin ⁽⁴⁾	9.32%	6.05%	5.13%	27.04%	27.19%	30.02%
PAT	765.11	461.40	114.53	17,928.25	14,650.60	13,587.44
PAT Margin ⁽⁵⁾	7.01%	4.45%	1.92%	16.08%	15.87%	17.28%

Notes:

(1) Revenue from operation means revenue from sales, service and other operating revenues

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

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

(4) 'PAT Margin' is calculated as PAT for the year divided by revenue from operations.

8. Weighted average cost of acquisition

- a) The details of the Equity Shares other than Equity Shares issued pursuant to a bonus issue on December 21, 2022, during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuance") are as follows:

Date of Allotment	Name of Allottee	Number of shares transacted (adjusted for bonus issue and subdivision of shares)	Issue price per share (₹)(adjusted for bonus issue and subdivision of shares)	Nature of Allotment	Nature of Consideration	Total Consideration (Rs. In Lacs)
July 11, 2022	Hanskumar Shamji Shah	14,93,328	6.25	Right Issue	Cash	93.33
	Kaushik Hanskumar Shah	14,93,344				93.34
	Hemant Praful Shah	14,93,328				93.33
TOTAL		44,80,000				280.00
Weighted Average Cost of Acquisition [Total consideration/ Total number of shares transacted]						6.25

Note: The Company issued and allotted bonus shares on December 21, 2022 in the ratio of 3:5, i.e 3 Equity Shares for every 5 Equity Share held. Further, pursuant to Shareholders' resolution dated January 03, 2023 the face value of Equity Shares of our Company was subdivided from 100.00 per Equity Share to 10.00 per Equity Share. Accordingly, the number of Equity Shares transacted and transaction price per Equity Share has been adjusted for bonus issue and subdivision of equity shares by our Company.

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

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

- c) Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this certificate irrespective of the size of transactions, is as below:

Primary Transactions:

Except as disclosed below, there have been no primary transactions in the last three years preceding the date of this Prospectus:

Date of Allotment	No. of equity shares allotted	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
July 11, 2022	44,80,000	6.25	Right Issue	Cash	280.00
December 21, 2022	28,80,000	Nil	Bonus Issue	Other than Cash	Nil

Note: The Company issued and allotted bonus shares on December 21, 2022 in the ratio of 3:5, i.e 3 Equity Shares for every 5 Equity Share held. Further, pursuant to Shareholders' resolution dated January 03, 2023 the face value of Equity Shares of our Company was subdivided from 100.00 per Equity Share to 10.00 per Equity Share. Accordingly, the number of Equity Shares transacted and transaction price per Equity Share has been adjusted for bonus issue and subdivision of equity shares by our Company. Accordingly the 2,80,000 equity shares which were allotted pursuant to Right Issue of equity shares on July 11, 2022 has been adjusted for bonus issue and sub-division of shares aggregating to 44,80,000 equity shares.

Secondary Transactions:

Except as disclosed below, there have been no secondary transactions by the Promoters, members of the Promoter Group or shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction, in the last three years preceding the date of this Prospectus:

Date of transfer	Name of transferor	Name of transferee	No. of Equity shares	Price Per Equity Share	Nature of transaction	Total Consideration (in ₹ lakhs)
May 31, 2022	Rita Bharat Munvar	Hanskumar Shamji Shah	14,000	-	Transfer of shares by way of Gift	0.00
June 15, 2022	Jagdish A. Dharmsey	Kaushik Hanskumar Shah	59,500	-		0.00
November 01, 2022	Hanskumar Shamji Shah	Kaushik Hanskumar Shah	10	-	Transfer of shares by way of Gift	0.00
		Hemant Praful Shah	20	-		0.00
January 16, 2023	Ranjan Praful Shah	Naman Hemant Shah	59,500	-	Transfer of shares by way of Gift	0.00
February 22, 2023			35,700	-		

Note: Pursuant to Shareholders' resolution dated January 03, 2023 the face value of Equity Shares of our Company was subdivided from 100.00 per Equity Share to 10.00 per Equity Share. Accordingly, the number of Equity Shares transacted and transaction price per Equity Share has been adjusted for subdivision of equity shares by our Company.

d) 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. ₹ 85/-)	Cap price* (i.e. ₹ 90/-)
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	6.25	13.60 times	14.40 times
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA^	NA^	NA^
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	3.72	22.85 times	24.19 times

Note:

^There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) transactions in last 18 months from the date of this Prospectus.

Hemant Surgical Industries Limited 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 Business Standard, all editions of Hindi national newspaper Business Standard and Marathi Edition of Regional newspaper Pratahkal where the registered office of the company is situated each with wide circulation.

The Issue Price of Rs. 90/- has been 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 94, 24 and 136 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.

STATEMENT OF TAX BENEFITS

To,

The Board of Directors

Hemant Surgical Industries Limited

City of Joy, 502, 5th Floor, Ecstasy Commercial Park, JSD,

Mulund West, Mumbai, Maharashtra - 400080

Dear Sirs,

Sub: Statement of Tax Benefits ('The Statement') available to Hemant Surgical Industries Limited ('The Company') and its shareholders under the Direct and Indirect Tax Laws in India

We hereby report that the enclosed annexure prepared by the management of **Hemant Surgical Industries Limited**, states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein 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 is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares ("the Issue") by the Company.

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

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

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

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, 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. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Offer Document/ Offer Document or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For A D V & Associates
Chartered Accountants
FRN: 128045W

Sd/-

ANKIT RATHI
Partner
M. No. 162441
UDIN: 23162441BGZGTL258
Place: MUMBAI
Date: April 28, 2023

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS

The information provided below sets out the special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 presently in force 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 Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS

The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

Notes:

1. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.
2. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.
3. 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 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.

SECTION V. ABOUT THE COMPANY

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.

*Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this Prospectus, including the information in “**Our Business**” and “**Financial Information**” beginning on pages 94 and 136 respectively of this Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see “**Risk Factors**” beginning on page 24 of this Prospectus.*

Overview of Economy

Global Economic Environment

The Survey narrates about six challenges faced by the Global Economy. The three challenges like COVID-19 related disruptions in economies, Russian-Ukraine conflict and its adverse impact along with disruption in supply chain, mainly of food, fuel and fertilizer and the Central Banks across economies led by Federal Reserve responding with synchronised policy rate hikes to curb inflation, leading to appreciation of US Dollar and the widening of the Current Account Deficits (CAD) in net importing economies. The fourth challenge emerged as faced with the prospects of global stagflation, nations, feeling compelled to protect their respective economic space, thus slowing cross-border trade affecting overall growth. It adds that all along, the fifth challenge was festering as China experienced a considerable slowdown induced by its policies. The sixth medium-term challenge to growth was seen in the scarring from the pandemic brought in by the loss of education and income-earning opportunities. The Survey notes that like the rest of the world, India, too, faced this extraordinary set of challenges but withstood them better than most economies.

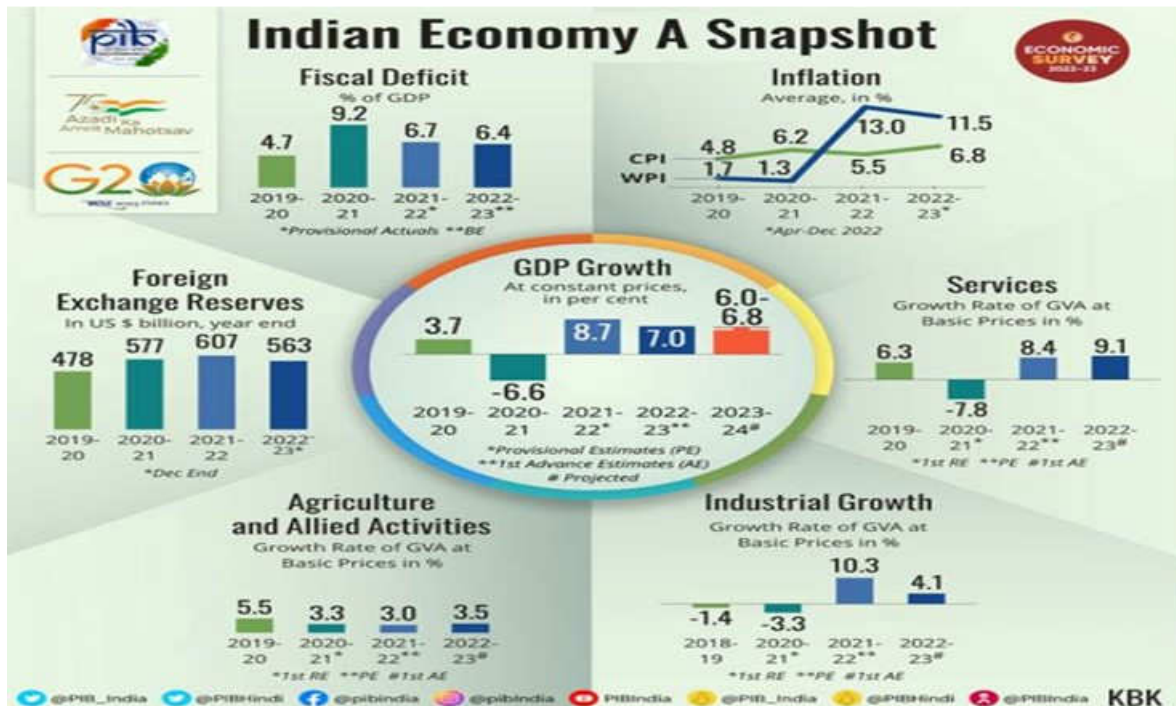
In the last eleven months, the world economy has faced almost as many disruptions as caused by the pandemic in two years. The conflict caused the prices of critical commodities such as crude oil, natural gas, fertilisers, and wheat to soar. This strengthened the inflationary pressures that the global economic recovery had triggered, backed by massive fiscal stimuli and ultra-accommodative monetary policies undertaken to limit the output contraction in 2020. Inflation in Advanced Economies (AEs), which accounted for most of the global fiscal expansion and monetary easing, breached historical highs. Rising commodity prices also led to higher inflation in the Emerging Market Economies (EMEs), which otherwise were in the lower inflation zone by virtue of their governments undertaking a calibrated fiscal stimulus to address output contraction in 2020.

The Survey underlines that Inflation and monetary tightening led to a hardening of bond yields across economies and resulted in an outflow of equity capital from most of the economies around the world into the traditionally safe-haven market of the US. The capital flight subsequently led to the strengthening of the US Dollar against other currencies – the US Dollar index strengthened by 16.1 per cent between January and September 2022. The consequent depreciation of other currencies has been widening the CAD and increasing inflationary pressures in the net importing economies.

(Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1894932#:~:text=Global%20growth%20is%20forecasted%20to,uncertainty%20will%20dampen%20trade%20growth>.)

Overview of the Indian Economy

India to witness GDP growth of 6.0 per cent to 6.8 per cent in 2023-24, depending on the trajectory of economic and political developments globally.

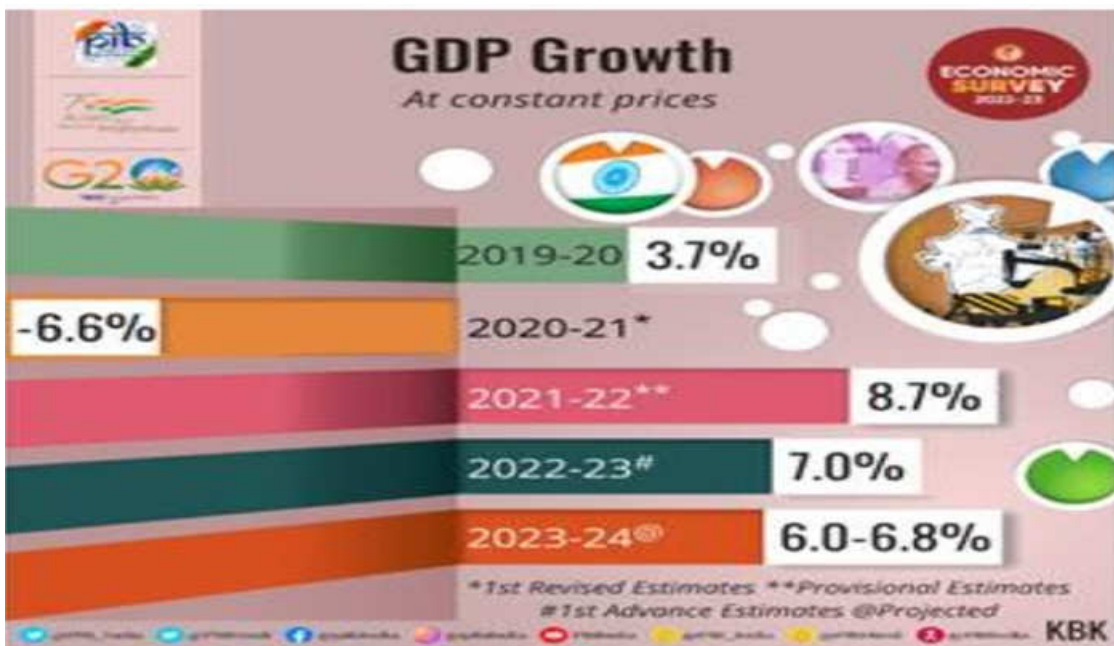
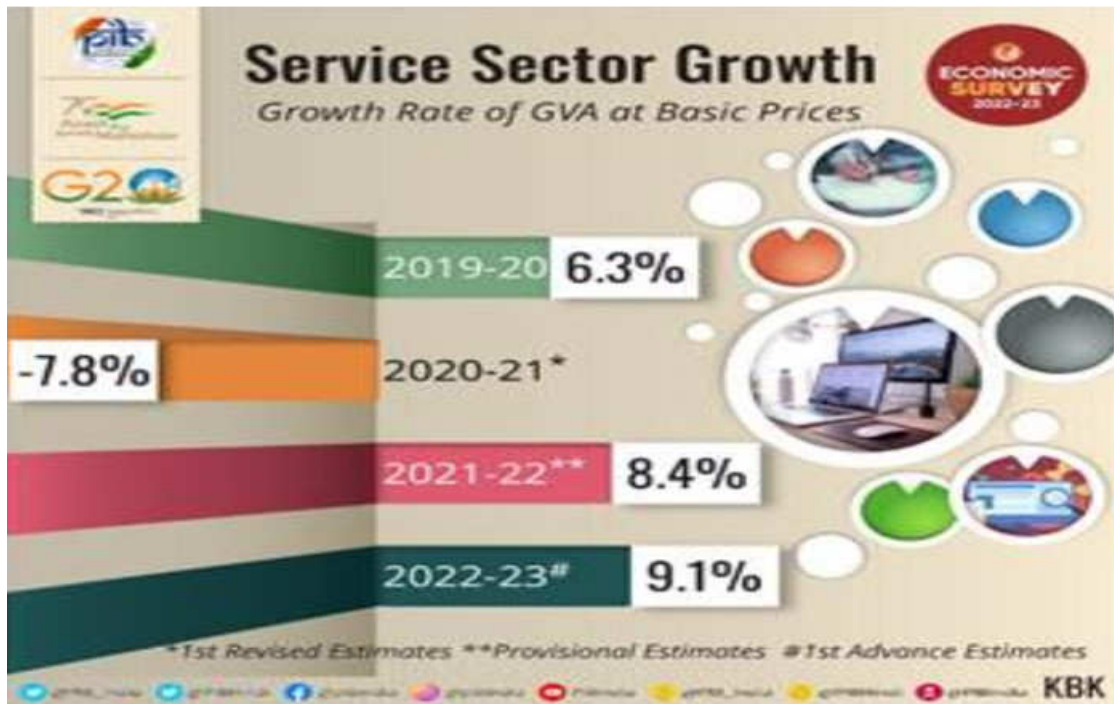


The optimistic growth forecasts stem from a number of positives like the rebound of private consumption given a boost to production activity, higher Capital Expenditure (Capex), near-universal vaccination coverage enabling people to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, as well as the return of migrant workers to cities to work in construction sites leading to a significant decline in housing market inventory, the strengthening of the balance sheets of the Corporates, a well-capitalised public sector banks ready to increase the credit supply and the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector to name the major ones.

SERVICES: SOURCE OF STRENGTH

- Strong Growth in Services sector in FY23
- PMI Services witnessed strongest expansion since July 22
- Credit growth to services above 15% since July-22
- 75 Digital Banking Units announced for transforming financial services
- Fashion, grocery, and general merchandise to capture nearly two-thirds of the Indian e-commerce market by 2027

Logos: PIB, 75th Anniversary Azadi Ka Amrit Mahotsav, G20, ECONOMIC SURVEY 2022-23.



It says, growth is expected to be brisk in FY24 as a vigorous credit disbursal, and capital investment cycle is expected to unfold in India with the strengthening of the balance sheets of the corporate and banking sectors. Further support to economic growth will come from the expansion of public digital platforms and path-breaking measures such as PM GatiShakti, the National Logistics Policy, and the Production-Linked Incentive schemes to boost manufacturing output.

The Survey says, in real terms, the economy is expected to grow at 7 per cent for the year ending March 2023. This follows an 8.7 per cent growth in the previous financial year.

Despite the three shocks of COVID-19, Russian-Ukraine conflict and the Central Banks across economies led by Federal Reserve responding with synchronised policy rate hikes to curb inflation, leading to appreciation of US Dollar and the widening of the Current Account Deficits (CAD) in net importing economies, agencies worldwide continue to project India as the fastest-growing major economy at 6.5-7.0 per cent in FY23.

India's Inclusive Growth

The Survey emphasises that growth is inclusive when it creates jobs. Both official and unofficial sources confirm that employment levels have risen in the current financial year, as the Periodic Labour Force Survey (PLFS) shows that the urban unemployment rate for people aged 15 years and above declined from 9.8 per cent in the quarter ending September 2021 to 7.2 per cent one year later (quarter ending September 2022). This is accompanied by an improvement in the labour force participation rate (LFPR) as well, confirming the emergence of the economy out of the pandemic-induced slowdown early in FY23.

In FY21, the Government announced the Emergency Credit Line Guarantee Scheme, which succeeded in shielding micro, small and medium enterprises from financial distress. A recent CIBIL report (ECLGS Insights, August 2022) showed that the scheme has supported MSMEs in facing the COVID shock, with 83 per cent of the borrowers that availed of the ECLGS being micro-enterprises. Among these micro units, more than half had an overall exposure of less than Rs10 lakh.

Furthermore, the CIBIL data also shows that ECLGS borrowers had lower non-performing asset rates than enterprises that were eligible for ECLGS but did not avail of it. Further, the GST paid by MSMEs after declining in FY21 has been rising since and now has crossed the pre-pandemic level of FY20, reflecting the financial resilience of small businesses and the effectiveness of the pre-emptive government intervention targeted towards MSMEs.

Moreover, the scheme implemented by the government under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has been rapidly creating more assets in respect of "Works on individual's land" than in any other category. In addition, schemes like PM-KISAN, which benefits households covering half the rural population, and PM Garib Kalyan Anna Yojana have significantly contributed to lessening impoverishment in the country.

The UNDP Report of July 2022 stated that the recent inflationary episode in India would have a low poverty impact due to well-targeted support. In addition, the National Family Health Survey (NFHS) in India shows improved rural welfare indicators from FY16 to FY20, covering aspects like gender, fertility rate, household amenities, and women empowerment.

So far, India has reinforced the country's belief in its economic resilience as it has withstood the challenge of mitigating external imbalances caused by the Russian-Ukraine conflict without losing growth momentum in the process. India's stock markets had a positive return in CY22, unfazed by withdrawals by foreign portfolio investors. India's inflation rate did not creep too far above its tolerance range compared to several advanced nations and regions.

India is the third-largest economy in the world in PPP terms and the fifth-largest in market exchange rates. As expected of a nation of this size, the Indian economy in FY23 has nearly "recouped" what was lost, "renewed" what had paused, and "re-energised" what had slowed during the pandemic and since the conflict in Europe.

(Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1894932#:~:text=Global%20growth%20is%20forecasted%20to,uncertainty%20will%20dampen%20trade%20growth.>)

INDUSTRY

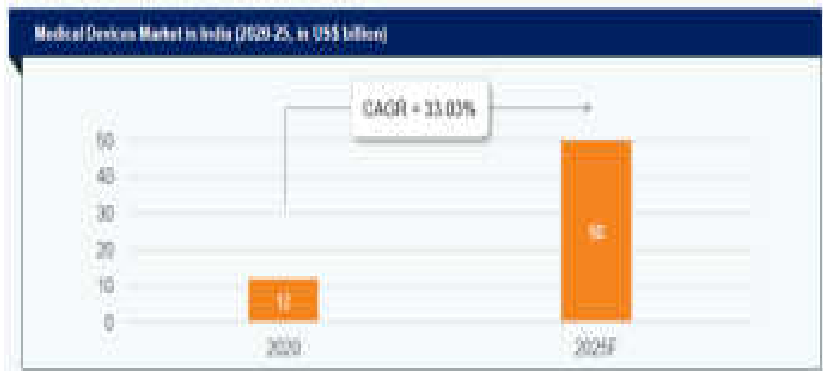
Medical Devices Industry

The Indian market for medical equipment is predicted to increase to US\$ 50 billion by 2025. As of 2020, the medical devices market is estimated to be at US\$ 12 billion in India. India is the 4th largest Asian medical devices market after Japan, China, and South Korea, and among the top 20 medical devices markets globally. India has an overall 75-80% import dependency on medical devices. Export of medical devices from India stood at US\$ 2.53 billion in FY21. The US, Germany, China, Brazil, Iran, etc. are a few key countries that import Indian medical devices. Gujarat, Maharashtra, Karnataka, Haryana, Andhra Pradesh, Telangana and Tamil Nadu are the manufacturing hubs for medical devices in India. In BioAsia 2021, key stakeholders in the panel discussion on medical technologies stated that India would become self-sufficient in domestic medical devices manufacturing by 2025-26. The panel observed that the government is taking supportive measures such as promoting indigenous manufacturing of high-tech medical devices, production-linked incentive schemes (PLIs) on medical devices, boosting new medical devices park, etc. to boost overall growth of the domestic medical devices market in India.

Growth in Medical Devices

As of 2020, the medical devices market is estimated to be at US\$ 12 billion in India. India is the 4th largest Asian medical devices market after Japan, China, and South Korea, and among the top 20 medical devices markets globally. However, it has the potential to surpass its peers in terms of size and scale; this is based on the government's support the sector has received over the past several years. India's medical devices market is projected to reach US\$ 50 billion by 2025. Between 2020-25, diagnostic imaging is likely to expand at a CAGR of 13.5%. The medical devices sector in India comprises large multinationals, and small and

mid-sized companies. This sector, which is growing faster amid the pandemic, offers great opportunities for domestic players, particularly engineering MSMEs, to further penetrate the global markets. The Government of India (GOI) has commenced various initiatives to strengthen the medical devices sector, with emphasis on research and development (R&D) and 100% FDI for medical devices to boost the market. India added significant production capacity for various critical care items such as PPE kits, surgical gloves, sanitisers and N95 masks, and emerged as a significant destination for manufacturing of healthcare products and services.



Government Initiatives to Boost Demand

1. 100% FDI

100% FDI is allowed in the medical devices sector in India. Categories such as equipment and instruments, consumables and implants attract the most FDI. The Indian medical devices industry was granted the status of an ‘independent industry’ in 2014, and given the title of ‘sunrise’ sector under the Make in India scheme in 2014. In October 2021, the government announced a plan to draft a new drugs, cosmetics and medical devices bill to increase the acceptability of Indian medical devices in the global market. 100% FDI under the automatic route for both brownfield and greenfield setups in the sector is expected to boost the industry. Strong FDI inflows also reflect confidence among global players on the Indian medical devices market.

Over the last five years (2015-20), India received US\$ 600 million, with key investments from countries such as Singapore, the US, Europe and Japan. Categories such as equipment and instruments, consumables and implants have attracted the most FDIs. FDI inflow in the medical and surgical appliances sector stood at US\$ 2.41 billion between April 2000-March 2022. In the Union Budget 2022-23, Rs. 86,200 crore (US\$ 11.3 billion) was allocated as a budget for the pharmaceutical and healthcare sector.

2. Incentive Schemes

In July 2022, the government tabled a draft for the new Drugs, Medical Devices and Cosmetics Bill 2022, to assure and offer thorough legal protections to ensure that the medical items sold in India are reliable, efficient, and up to required standards. To boost domestic manufacturing of medical devices and attract huge investments in India, the Department Of Pharmaceuticals launched a PLI scheme for domestic manufacturing of medical devices, with a total outlay of funds worth Rs. 3,420 crore (US\$ 468.78 million) for the period FY21-28.

The government also approved applications for nine eligible projects that are expected to lead to a total committed investment of ~Rs. 729.63 crore (US\$ 100.01 million) by the companies Siemens Healthcare Private Limited, Allengers Medical Systems Limited (AMSL), Allengers OEM Private Limited (AOPL), Wipro GE Healthcare Private Limited, Nipro India Corporation Private Limited, Sahajanand Medical Technologies Private Limited, Innvolution Healthcare Private Limited, and Integris Health Private Limited, and generate ~2,304 jobs.

3. Introduction of Medical Parks

The medical device parks are expected to reduce manufacturing costs as these will be equipped with the necessary infrastructure where companies can plug and play. A vast medical device park is planned to open in Noida, bringing in a total investment of Rs. 5,250 crores (US\$ 705.38 million) by the government, and employ 20,000 people.

In September 2021, the government sanctioned a proposal worth Rs. 5,000 crore (US\$ 674.36 million) to build a medical devices park in Himachal Pradesh’s industrial township Nalagarh in the Solan district. The government approved the construction of a medical devices park near the Noida International Airport at Jewar in Sector 28. The government announced a

scheme worth Rs. 400 crore (US\$ 53.95 million) to promote medical device parks until FY25. The scheme is expected to reduce the cost of manufacturing medical equipment, making it more affordable in the domestic market.

In July 2021, the government announced that they would build a medical park in Uttar Pradesh, which is expected to generate an estimated Rs. 500 crore (US\$ 67.13 million) worth of business in the state.

4. Commercialisation in the medical devices and diagnostics space

In November 2021, the Indian Council of Medical Research (ICMR) collaborated with Indian Institutes of Technology (IITs) to establish 'ICMR at IITs' by setting up Centres of Excellence (CoE) for Make-in-India product development and commercialization in the medical devices and diagnostics space. The ICMR-DHR CoEs at IITs will create a pipeline of innovative medical devices and start-ups that will incentivise and motivate local manufacturing in India and provide holistic support to the technologies/products nearing commercialisation.

Source: <https://www.ibef.org/industry/medical-devices>

5. Production Linked Incentive (PLI) Scheme

The Indian Government has identified medical devices as a priority sector for the flagship 'Make in India' program and is committed to strengthening the manufacturing ecosystem. The Production Linked Incentive Scheme (PLI) Promoting Domestic Manufacturing of Medical Devices and Production Linked Incentive Scheme for Pharmaceuticals (PLI 2.0) have been introduced to provide an impetus to India's vision of becoming a global manufacturing hub for medical devices.

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

Export scenario of medical devices in India



India has a 75-80% import dependency on medical devices, with exports of US\$ 2.53 billion in FY21, which is expected to increase at a CAGR of 41% to reach US\$ 10 billion by 2025. India and Russia have set the bilateral trade target at US\$ 30 billion by 2025. Trade is expected to increase by an additional US\$ 5 billion per annum, with opportunities in pharmaceuticals & medical devices, minerals, steel, and chemicals. Medical devices are a highly attractive export area for US firms.

To increase the export of medical devices in the country, the Ministry of Health and Family Welfare (MOHFW) and Central Drugs Standard Control Organisation (CDSCO) implemented the following initiatives:

- The entities are re-visiting and implementing the Schedule MIII, which is a draft guidance on good manufacturing practices and facility requirements.
- System for export labelling.
- Clinical evaluation and adverse reporting clarification.
- State licencing authority to extend free sales certificate validity from 2 years to 5 years to allow exports.
- Create a list of manufacturers with export licencing and make this list easily accessible to different regulatory authorities worldwide.

The Medical Devices Virtual Expo 2021 showcased Indian products and enabled direct interaction between Indian suppliers and buyers/importers from participating countries. Also, 300 foreign buyers from the healthcare sector participated in this event.

Source: <https://www.ibef.org/industry/medical-devices>

Healthcare Industry

India climbed to the 63rd rank among 190 countries in the World Bank's 'Ease of Doing Business' rankings in 2020. As of 2021, the Indian healthcare sector is one of India's largest employers as it employs a total of 4.7 million people. The sector has generated 2.7 million additional jobs in India between 2017-22 --over 500,000 new jobs per year. The Asian Research and Training Institute for Skill Transfer (ARTIST) announced plans to create around one million skilled healthcare providers by 2022. The Indian healthcare sector is expected to record a three-fold rise, growing at a CAGR of 22% between 2016- 22 to reach US\$ 372 billion in 2022 from US\$ 110 billion in 2016. As of August 23, 2022, more than 210.31 crore COVID-19 vaccine doses have been administered across the country. By FY22, Indian healthcare infrastructure is expected to reach US\$ 349.1 billion. The e-health market size is estimated to reach US\$ 10.6 billion by 2025.

The Government of India aims to increase healthcare spending to 3% of the Gross Domestic Product (GDP) by 2022. Two vaccines (Bharat Biotech's Covaxin and Oxford-AstraZeneca's Covishield manufactured by the Serum Institute of India) were instrumental in medically safeguarding the Indian population and those of 100+ countries against COVID-19. In November 2021, the Government of India, the Government of Meghalaya and the World Bank signed a US\$ 40 million health project for the state of Meghalaya. This project will improve the quality of health services and strengthen the state's capacity to handle future health emergencies, including the COVID-19 pandemic

Per capita healthcare expenditure has risen at a fast pace

This is due to rising income, easier access to high-quality healthcare facilities and greater awareness of personal health and hygiene. Greater penetration of health insurance aided the rise in healthcare spending, a trend likely to intensify in the coming decade. Economic prosperity is driving the improvement in affordability for generic drugs in the market. In the Economic Survey of 2022, India's public expenditure on healthcare stood at 2.1% of GDP in 2021-22 against 1.8% in 2020-21 and 1.3% in 2019-20. The Government is planning to increase public health spending to 2.5% of the country's GDP by 2025.



Rising income, ageing population to be key healthcare demand driver

Rising income means a steady growth in the ability to access healthcare and related services. Per capita GDP of India is expected to reach US\$ 3,277.28 in 2024 from US\$ 1,761.63 in 2016. Moreover, changing demographics will also contribute to greater healthcare spending. This is likely to continue as the size of elderly population is set to rise from the current 98.9 million to about 168 million by 2026. Per capita GDP at current prices for FY20 stood at US\$ 2,181.14.

Policy support and Government Initiatives

1. Pradhan Mantri Jan Arogya Yojana (PMJAY)

The government announced Rs. 64,180 crore (US\$ 8.80 billion) outlay for the healthcare sector over six years in the Union Budget 2021-22 to strengthen the existing 'National Health Mission' by developing capacities of primary, secondary and tertiary care, healthcare systems, and institutions for detection and cure of new & emerging diseases.

2. Tax incentives

- All healthcare education and training services are exempted from service tax.

- Increase in tax holiday under section 80-IB for private healthcare providers in non-metros for minimum of 50 bedded hospitals.
- 250% deduction for approved expenditure incurred on operating technology enables healthcare services such as telemedicine and remote radiology.
- Artificial heart is exempted from basic custom duty of 5%.
- Income tax exemption for 15 years for domestically manufactured medical technology products.
- The benefit of section 80-IB has been extended to new hospitals with 100 beds or more that are set up in rural areas. Such hospitals are entitled to 100% deduction on profits for 5 years.

3. Credit incentives for healthcare infrastructure

The Indian government is planning to introduce a credit incentive programme worth Rs. 500 billion (US\$ 6.8 billion) to boost the country's healthcare infrastructure. The programme will allow firms to leverage the fund to expand hospital capacity or medical supplies with the government acting as a guarantor and strengthen COVID-19-related health infrastructure in smaller towns.

4. National Nutrition Mission

- The Union Cabinet approved setting up of the National Nutrition Mission (NNM) to monitor, supervise, fix targets and guide the nutrition related interventions across ministries.
- The programme is planning to reduce the level of stunting by 2%, under-nutrition 2%, anaemia by 3% and low birth babies by 2% every year.
- Over 100 million people are expected to be benefited by this programme – all states and districts will be covered within the programme.
- In the Union Budget 2021-22, the government announced its plans to launch 'Mission Poshan 2.0' to merge 'Supplementary Nutrition Programme' with 'Poshan Abhiyan' (Nutrition Mission) in order to improve nutritional outcomes across 112 aspirational districts.

5. Liberalised Pricing & Accelerated National COVID-19 Vaccination Strategy

The Liberalised Pricing & Accelerated National COVID-19 Vaccination Strategy was implemented on May 1, 2021. As part of the strategy, every month, 50% of the total vaccine doses that have been cleared by the Central Drugs Laboratory (CDL) will be procured by the Government of India (GOI), which will provide those vaccines to the State Governments at no cost. In addition, the remaining 50% of the vaccine doses will be available for direct procurement by the State Governments and private hospitals.

6. National Health Mission (NHS)

The Government of India approved continuation of 'National Health Mission' with a budget of Rs. 37,000 crore (US\$ 4.85 billion) under the Union Budget 2022-23.

7. Incentives in the medical travel industry

Incentives and tax holidays are being offered to hospitals and dispensaries providing health travel facilities. Senior citizens above 80 years of age will be allowed deduction of US\$ 491 towards medical expenditure if they are not covered under health insurance.

8. Universal health

The Union Budget 2021 announced the launch of 'Jal Jeevan Mission' (Urban) to achieve universal health. The mission is aimed at universal supply of water to all 4,378 urban local bodies, with 2.86 crore household tap connections, and management of liquid waste in 500 AMRUT cities. It will be executed with an outlay of Rs. 287,000 crore (US\$ 39.41 billion) over five years.

9. Tele-medicine initiatives

- State Telemedicine Network (STN): The states and union territories have been provided support under the National Health Mission (NHM) under Program Implementation Plan (PIP) to create a reliable, ubiquitous and high speed network backbone.
- In May 2021, Minister of Defence, Mr. Rajnath Singh, launched 'Services e-Health Assistance & Tele-consultation (SeHAT)' OPD portal to provide telemedicine services to armed forces personnel and veterans.
- The Ministry of Health and Family Welfare's eSanjeevani telemedicine consultation service crossed 3 crore tele-consultations as on March 25, 2022.

10. Bilateral ties

- In September 2021, the 4th Indo-US Health Dialogue was hosted by India. The two-day dialogue leveraged as a platform to deliberate upon multiple ongoing collaborations in the health sector between the two countries.
- In September 2021, the All India Institute of Ayurveda, under the Ministry of AYUSH, signed a MoU, in coordination with the NICM Western Sydney University Australia, to appoint an Academic Chair in Ayurveda. The new Academic Chair will undertake academic and collaborative research activities in Ayurveda, including herbal medicine and yoga, and design academic standards and shortterm/ medium-term courses and educational guidelines.

11. Single window system

The Drug Controller General of India (DCGI) has proposed to set up a single window system for start-ups and innovators seeking approvals, consents, and information regarding regulatory requirement.

12. Medical institutions

- In May 2022, the Union Government approved grants for five new medical colleges in Gujarat with a grant of Rs. 190 crore (US\$ 23.78 million) each. These colleges will come up in Navsari, Porbandar, Rajpipla, Godhra and Morbi.
- In September 2021, Prime Minister Mr. Narendra Modi laid the foundation stone for four new medical colleges in the Banswara, Sirohi, Hanumangarh & Dausa districts of Rajasthan.

13. Union Budget 2022–23

- Under the Union Budget 2022-23, the Ministry of Health and Family Welfare has been allocated Rs. 86,200 crore (US\$ 11.29 billion), an increase of 16.5% compared to Rs. 73,932 crore (US\$ 9.69 billion) in 2020-21.
- Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) was allocated Rs. 10,000 crore (US\$ 1.31 billion)
- Human Resources for Health and Medical Education was allotted Rs. 7,500 crore (US\$ 982.91 million).
- National Health Mission was allotted Rs. 37,000 crore (US\$ 4.84 billion).
- Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) was allotted Rs. 6,412 crore (US\$ 840.32 million).

14. Establishment of health system capacities at airports under the Aatmanirbhar Swasth Bharat Yojana

In the Union Budget 2021, the government proposed enhancement of the country's potential for health systems, which included entry points for aviation. It planned to strengthen the public health units at 32 airports under the Aatmanirbhar Swasth Bharat Yojana scheme. This programme would promote smooth movement of pharmaceuticals through India and other parts of the world by air.

15. Pradhan Mantri Swasthya Suraksha Yojana (PMSSY)

- In the Union Budget 2022-23, Rs. 10,000 crore (US\$ 1.31 billion) was allocated to the scheme.
- The Government of India will use this money to boost the medical education infrastructure of the country and set up AIIMS across the country.

16. ‘Vision 2035: Public Health Surveillance in India’

- To make the public health surveillance system in India more flexible and predictive to strengthen action preparedness at all levels.
- A citizen-friendly public health surveillance system, supported by a consumer feedback process, would ensure individual privacy and confidentiality.
- To improve data-sharing system for effective disease control between the Centre and states.
- India aims to provide regional and international leadership in managing events of global concern, which constitute a public health emergency.

17. PM Ayushman Bharat Health Infrastructure Mission (PM-ABHIM)

In the Union Budget 2022-23, Rs. 5,156 crore (US\$ 675.72 million) was allocated to the newly announced PM-ABHIM to strengthen India's health infrastructure and improve the country's primary, secondary and tertiary care services.

18. Ayushman Bharat

- Ayushman Bharat scheme was launched to ensure universal health coverage and provide financial risk protection, assuring quality and affordable essential health services to all individuals.
- As of November 18, 2021, 80,136 Ayushman Bharat-Health and Wellness Centres (AB-HWCs) are operational in India.
- In August 2022, Edelweiss General Insurance partnered with the Ministry of Health, Government of India to help Indians generate their Ayushman Bharat Health Account (ABHA) number.
- In July 2022, the World Bank approved a US\$ 1 billion loan towards India's Pradhan Mantri-Ayushman Bharat Health Infrastructure Mission.
- September 2021, Prime Minister Mr. Narendra Modi launched the Ayushman Bharat Digital Mission. The mission will connect the digital health solutions of hospitals across the country with each other. Under this, every citizen will now get a digital health ID and their health record will be digitally protected.
- In February 2021, Prime Minister Mr. Narendra Modi laid the foundation stones for two hospitals and launched 'Asom Mala', a programme for state highways and major district roads, in Assam. He stated that 1.25 crore people in the state are being benefitted from the Ayushman Bharat Scheme.

19. Digital India Initiative

As of November 18, 2021, 638 e-Hospitals were established across India as part of the central government's 'Digital India' initiative.

20. Free Covid Vaccine For Healthcare Workers

In the Phase 1 of COVID-19 vaccination drive, free vaccines were provided across the country to the prioritised beneficiaries that included 10 million healthcare and 20 million frontline workers.

21. Intensified Mission Indradhanush (IMI) 3.0

In March 2021, various states and UTs started implementation of the 'Intensified Mission Indradhanush 3.0' - a campaign aimed to reach those children and pregnant women who were missed out or have been left out of the routine immunisation programme due to the COVID-19 pandemic. This is aimed to accelerate the full immunisation of children and pregnant women through a mission mode intervention.

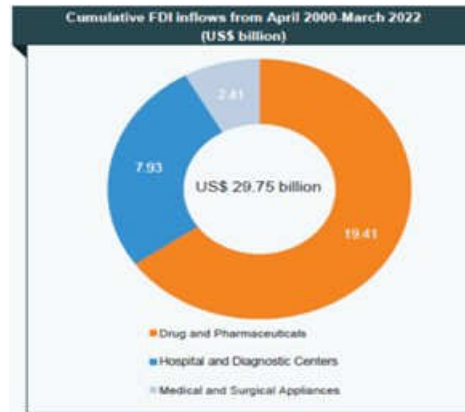
22. National Digital Health Mission (NDHM)

- On August 15, 2020, Prime Minister Mr. Narendra Modi launched the National Digital Health Mission (NDHM) programme, which was developed to provide the necessary support system for integrated digital health infrastructure of the country.
- As of May 2021, 11.9 lakh Health IDs have been generated and 3,106 doctors and 1,490 facilities have registered on the platform.

FDI Inflow

100% FDI is allowed under the automatic route for greenfield projects. For brownfield project investments, up to 100% FDI is permitted under the government route. Demand growth, cost advantages and policy support have been instrumental in attracting FDI. Between April 2000-March 2022, FDI inflow for the drugs and pharmaceuticals sector stood at US\$ 19.41 billion.

Inflows in sectors such as hospitals and diagnostic centres and medical and surgical appliances stood at US\$ 7.93 billion and US\$ 2.41 billion, respectively, between April 2000-March 2022. In November 2021, Aster DM Healthcare announced that it is planning Rs. 900 crore (US\$ 120.97 million) capital expenditure over the next three years to expand its presence in India, as it looks at increasing the share of revenue from the country to ~40% of the total revenue by 2025.



Opportunities in Healthcare

- Additional three million beds will be needed for India to achieve the target of 3 beds per 1,000 people by 2025. Also, India will have one doctor to every 800 patients by 2030.
- Additional 1.54 million doctors and 2.4 million nurses will be required to meet the growing demand for healthcare. 58,000 job opportunities are expected to be generated in the healthcare sector by 2025.
- Over US\$ 500 billion is expected to be spent on medical infrastructure by 2030.
- Over the years, India has made strategic interventions in the National Health Mission and the national disease control programmes to ensure quality and affordable healthcare for all.
- On January 6, 2021, Dr. Harsh Vardhan, the Minister for Health & Family Welfare, released INDIA REPORT on Longitudinal Ageing Study of India (LASI) Wave-1. He stated that this report will be used to further improve and expand the reach of the 'National Elderly Health Care' network and contribute to the implementation of a spectrum of preventive and healthcare services for the elderly and vulnerable population.
- India currently holds the fourth position in attracting VC funding to the health-tech sector, with investments of US\$ 4.4 billion between 2016-2, with US\$ 1.9 billion invested in 2021 alone.
- Startup HealthifyMe, with a total user base of 30 million people, is adding half a million new users every month and crossed US\$ 40 million ARR in January 2022.
- In June 2021, Tata Digital Limited, a 100% subsidiary of Tata Sons Private Limited, announced that it will acquire a majority stake in digital health company 1mg.
- The medical devices market is expected to reach US\$ 11 billion by 2022, backed by rising geriatric population, growth in medical tourism and declining cost of medical services.

Source <https://www.ibef.org/industry/healthcare-india>

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year. In this section, a reference to the “Hemant”, “Company” or “we”, “us” or “our” means Hemant Surgical Industries Limited.

All financial information included herein is based on our “Financial information of the Company” included on page 136 of this Prospectus.

OVERVIEW

We manufacture, import, assemble and market a comprehensive portfolio of medical equipments and disposables. Our product offerings cover a wide spectrum of equipments and disposables required for (i) Renal Care, (ii) cardiovascular disease (iii) respiratory disease, (iv) Critical Care and Radiology and (v) Surgical disposables. Our wide range of products include some of the indigenously manufactured products along with some other products that are imported from countries like: Japan, China France and Australia and are further processed in our assembly units. In addition we are also providing services for maintenance and running of dialysis centres.

Our company started its operations with importing and marketing of medical disposables like: meditates, all over India from JMS Co Ltd. Japan. Later in the year 1999 our company started its manufacturing operations with one Manufacturing unit and over the years expanded its manufacturing and assembly operations to two more additional units as under:

- 1) Manufacturing Unit I situated at Achad Industrial Estate – where we first started our operations in 1999 and are currently manufacturing products like : Dialysis solution (liquid and Powder) used in dialysis, Hot and Cold Sterilant used for cleaning dialyzer, Purified water used in rinsing and cleaning of dialysis machines and sanitizer.
- 2) Assembly Unit II situated at Atgaon - for assembly of various medical devices like: Nebulizers, Oxygen Concentrator, Air Mattress, Digital Thermometer, Pulse Oximeters, ECG Electrodes, Dialyzer which are sold under the Brand Name “Aero Plus”. Silicon Foley catheters imported from China which are further processed and sold under the Brand name “Safecath” and for assembly of new and refurbished dialysis machines imported from China, France and Australia, Meditates imported from JMS Co. Ltd., Japan.
- 3) Assembly Unit III situated at Bhiwandi – for assembly of products like: Intravenous infusion set, ECG Machines, Ultrasound Machines, Paramonitor, Ventilator etc.

Our facilities are ISO 9001:2015 and ISO 13485:2016 certified having fully equipped quality control department with experienced and qualified staff to facilitate smooth manufacturing and assembly line process. Our Company was founded in the year 1989 by one of our Promoters, Hanskumar Shamji Shah, who has over 35 years of experience in the industry. As on date, we

- 1) Entered into exclusive distribution agreement with JMS Co. Ltd., Japan for importing and marketing JMS Meditate in India. The imported meditate undergoes the process of rewinding, slitting, and packaging in our assembly unit situated at Atgaon and is then sold in Indian market.
- 2) Entered into technical collaboration agreement with JMS Singapore Pte. Ltd. for manufacturing Intravenous infusion set which are sold under the brand name “JMS” in India.
- 3) Appointed as sole agent of SWS Hemodialysis Care Co. Ltd. China to sell and do maintenance of SWS-4000A hemodialysis machines in West India on exclusive basis.
- 4) Signed exclusive distribution agreement with Hemant Phillipines Inc./ Mediply Inc. for supply of renal care equipment, medical devices and consumables for marketing the same in entire Phillipines
- 5) Entered into an agreement with Zoncare Bio-medical Electronics Co., Ltd for catering to the needs of radiology where we have initiated import and assembly of critical care products like: Ultrasound Machine imported from China. Further we have been awarded as “Best Performing Partner” in the year 2022 by Zoncare Bio-medical Electronics Co., Ltd.

Key Performance Indicators of our Company

(Amount in Lakhs)

Key Financial Performance	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations ⁽¹⁾	10,914.82	10,357.00	5,976.46
EBITDA ⁽²⁾	1016.89	626.82	306.86
EBITDA Margin ⁽³⁾	9.32%	6.05%	5.13%
PAT	765.11	461.40	114.53
PAT Margin ⁽⁴⁾	7.01%	4.45%	1.92%

Notes:

⁽¹⁾Revenue from operation means revenue from sales, service and other operating revenues

⁽²⁾EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

⁽³⁾'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

⁽⁴⁾'PAT Margin' is calculated as PAT for the year divided by revenue from operations.

OUR STRENGTHS

We believe that the following are our primary strengths:

We offer a diversified range of products.

We have a diversified product portfolio of medical equipments and disposables catering to renal care solution, cardiovascular disease, respiratory disease, Critical Care and Radiology and surgical disposables. We deal in a wide range of products, which enables us to cater to a widespread customer base across India and also expand our reach in international locations like Philippines, Bangladesh, Kenya, Bhutan, Burundi, Camaroon, Congo, Nepal, Nigeria, Ivory Coast, France, Seychelles, etc. The collaboration, agreements or authorizations awarded to our company for equipments or disposables has endowed us with greater exposure and opportunity to benefit from large consumer market in India. We provide advanced medical equipments with latest technology. Further, we believe that we have necessary resources, experience, and network that can be customized and leveraged to cater to wider range of medical devices as per requirements of the customers. With an operating history of more than three decades, we are primarily known for our wide range of quality products at a competitive price.

Existing well established reputation and customer relationships

We focus on maintaining long term cordial business relationship with most of our customers. Our key customers majorly include (i) hospitals and diagnostic centres; (ii) Distributors and dealers and (iii) independent doctors. We sell some of our products under our registered brand name "JMS", "Aero Plus" and "Safecath". With our expanding business scope, we believe that our brand along with other brands, over these years has built a reputation by marketing and distributing wide range of medical equipments and disposables with strong customer base. We believe that we constantly try to address customer needs with a variety of products. Our existing client relationships help us to get repeat business from our customers. This has helped us maintain a long term working relationship with our customers and improve our customer retention strategy.

We have an extensive sales network and access to comprehensive market across India. The scale and reach of our sales network across our key markets enables us to effectively market and distribute our products. Our sales teams and network are set up keeping in mind the requirements of the local market and our target customers in each location.

Quality Assurance

We believe that quality is a pre-requisite for a positive consumer experience and long-term brand loyalty. This philosophy has formed the foundation of the expansion and diversification of our product portfolio since our inception. We have obtained ISO 9001:2015 and ISO 13485:2016 certification for Quality management System from AQC Middle East FZE and BSCIC Certifications Pvt. Ltd. respectively. We have been in the business of supplying medical equipments and disposables since 35 years and have successfully ventured and supplied quality products to our customers. Products are manufactured under controlled conditions & suitable working environment is provided. Adequate Hygienic conditions are maintained in the product Assembly and Packing Rooms. Our focus on quality is maintained at all stages right from the sourcing of raw materials, which is undertaken from manufacturers to the product manufacturing and assembly stage, which is subject to a rigorous review and monitoring process undertaken at our manufacturing facilities. For products which are sourced by us from third party suppliers, we have a dedicated sourcing team and quality assurance team, which closely monitor the quality of such products.

Experienced management team with industry expertise and successful track record

We have an experienced and qualified management team led by our Promoter and Managing Director, Hanskumar Shamji Shah with overall work experience of around 35 years, our Promoter and Whole Time Director, Kaushik Hanskumar Shah with overall work experience of around 15 years and our Whole Time Director Hemant Praful Shah with overall work experience of around 25 years. Thus our management possesses business intellect in Importing, Manufacturing, and Marketing of medical equipments and disposables and we are well placed to capitalize their knowledge and experience which has been instrumental in the growth of our Company. Their advisory services and inputs are a value addition to our performance, compliance and overall operations. We believe that our management team's experience and their understanding of the industry will enable us to continue to take advantage of both current and future market opportunities.

Stable financial performance with improved margins

We have demonstrated stable financial performance and particularly in the last three fiscal years, with improved margins even. We have demonstrated consistent growth in terms of revenues and profitability and have grown our operations over the years. Over the last three years, we have focused our attention towards expanding our product portfolio which has resulted in an increase in our revenue from operations and profits. Our revenue from operations has grown at a CAGR of 35.14% from ₹ 5976.46 lakhs in Fiscal 2021 to ₹ 10914.82 lakhs in Fiscal 2023. Our profit for this period has also grown from ₹ 114.53 lakhs in the Fiscal 2021 to ₹ 765.11 in Fiscal 2023. Our profit after tax margin was 7.01%, 4.45% and 1.92% for the period ended Fiscal 2023, 2022 and 2021.

OUR STRATEGIES

Capitalise on industry tailwinds

India's medical devices market is projected to reach US\$ 50 billion by 2025. Between 2020-25, diagnostic imaging is likely to expand at a CAGR of 13.5%. (Source: <https://www.ibef.org/industry/medical-devices>). In this rapidly-growing industry space, we will continue to strategically and aggressively expand our operations across India and grow our customer base. We continue to grow and strengthen our relationship with (i) hospital and diagnostic centres; (ii) Distributors and dealers and (iii) with independent doctors. We also focus on operating as Service provider – for running dialysis centre that shall create further value addition. We will thrive to focus on more such assignments that may contribute to generating recurring income for the company. We intend to enhance our portfolio of medical equipment by introducing new-age medical equipment for patients under critical home care.

We seek to leverage our capabilities, including our manufacturing facilities and quality control practices, to further expand our product portfolio. We intend to enhance our capabilities and hence grow value chains to supply wide range of medical equipments with a healthy mix of critical care equipments and surgical disposables. We intend to focus on creating value and increase profit margins by leveraging direct contracting, increasing brand awareness and other economies of scale. We believe our scale of operations, combined with our embedded relationships in the healthcare industry provide us with competitive advantages to continue to expand and consolidate our presence.

Focus on consistently meeting quality standards

Our Company intends to focus on adhering to the quality standards of the products. Quality of the product is very important for the company from both customer point of view and regulatory point of view. Continuous quality review of products and timely corrective measures in case of quality diversion are keys for maintaining quality standards of the products. Providing the desired and good quality products help us in enhancing customer trust and maintaining long term relationships with customers. However the manufacturer does not assume liability for possible consequences related to use of the medical device, but the focus to meet quality standard is essential to obtain repeat orders.

Deepen and expand our geographical presence.

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the reach of our products in different parts of the country. Our Company operates from Mumbai in India. Furthermore, we have deployed various dealers, marketing representatives for increasing our sales. We propose to enter into new geographies and increase our marketing and sales team which can focus on different regions and also maintain and establish relationship with customers. We aim to achieve this by adding value to our customers through quality assurance, timely delivery and reliability.

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

Our Company caters to the Healthcare industry as a solution provider and therefore reputation and trust play a vital role for customer building. We seek to increase our brand awareness through outdoor media; marketing initiatives, new product lines and brand extensions, effective online marketing strategies. Brand reputation is considered the top criteria in decision-making, with word of mouth, feedback from customers and recommendation from pharmacists playing a crucial role. Our marketing and advertising initiatives are directed to increase brand awareness to cater to new customers. We plan to effectively utilize our website, social networking sites and other online platforms of communication to build consumer knowledge of our brands.

Focus on backward integration






Our company intends to install Surgical Tape Coating Machine for setting up a coating plant of Meditapes in India. Currently our company is involved in Rewinding of the jumbo roll into Log Rolls (Small Rolls), Slitting of the rolls into tapes of different measurements as per Requirements such as 0.5 inch, 1 inch, 2 inch & 3 inch and after slitting, tapes are packed and dispatched as










per the sales orders. Installation of adhesive coating machine will enable us to manufacture the complete product in India. This approach towards backward integration will reduce cost, improve availability and consistency of the product. Further our company also intends to install Injection Moulding Machine, for moulding plastic parts of medical disposables like: Intravenous infusion set etc. Our Company intends to fund the capital expenditure towards acquisition of these plant & machineries from the Net Proceeds. For details please refer section titled “*Object of the Issue*” on page 68 of the Prospectus.





OUR PRODUCTS PORTFOLIO

Our product portfolio comprises of wide array of healthcare products and medical equipments, manufactured, assembled or imported by our company.

- Healthcare Products and Medical Equipments:
 - Renal Care Products and Medical Equipments
 - Cardiovascular Disease Related Medical Equipments
 - Respiratory Disease Related Medical Equipments
 - Critical Care and Radiology Medical Equipments
- Surgical Disposables
- Other Healthcare Products

Sr. No.	Product Name	Product Description	Product Photo
Healthcare Products and Medical Equipments			
<i>Renal Care Products and Medical Equipments</i>			
1.	Hemodialysis Machine	Dialysis is a procedure to remove waste products and excess fluid from the blood when the kidneys stop working properly. Our Company deals into various types of dialysis machines imported from SWS Hemodialysis Care Co. Ltd. China and refurbished dialysis machines imported from France and Australia.	
2.	Dialysis Solution - Acidic and Bicarbonate	Dialysate is a solution of pure water, electrolytes, and salts, such as bicarbonate and sodium. The purpose of dialysate is to pull toxins from the blood into the dialysate. The way this works is through a process called diffusion. It is available in powder and fluid form.	
3.	Dialyzer	A dialyzer is often referred to as an “artificial kidney” Its function is to remove the excess wastes and fluid from the blood, when the patient's kidneys can no longer perform that task. Our company sells dialyser under the following brand names: <ul style="list-style-type: none"> ○ Dora Dialyzer ○ JMS Dialyzer ○ Aero Dialyzer 	
<i>Cardiovascular Disease Related Medical Equipments</i>			
4.	ECG Machine	Electrocardiography is the process of producing an electrocardiogram, a recording of the heart's electrical activity. It is an electrogram of the heart which is a graph of voltage versus time of the electrical activity of the heart using electrodes placed on the skin. ECG Machines sold by the Company is usually imported.	
5.	ECG Electrode	An electrocardiogram (ECG) is one of the simplest and fastest tests used to evaluate the heart. Electrodes (small, plastic patches that stick to the skin) are placed at certain spots on the chest, arms, and legs. The electrodes are connected to an ECG machine by lead wires. Our company sells ECG Electrodes under the brand name of	

		Aero Plus ECG Electrodes.	
Respiratory Disease Related Medical Equipments			
6.	Nebulizer	A nebulizer is a device used for administering medication to people in the form of a mist inhaled into the lungs. It is commonly used in treating cystic fibrosis, asthma, and other respiratory diseases. Our company sells Nebulizers under the brand name of Aero Plus	
Critical Care and Radiology Medical Devices			
7.	Paramonitors	Patient monitors are devices used to measure, record, and display various patient parameters such as heart rate and rhythm, SPO2, blood pressure, temperature, respiratory rate, blood pressure, blood oxygen saturation, etc. to keep a track of the patient's health and provide them with high-quality health care.	
8.	Ultrasound Machine	An ultrasound machine makes images so that organs inside the body can be examined. The machine sends out high-frequency sound waves, which reflect off body structures. A computer receives the waves and uses them to create a picture. Ultrasound Machines sold by the Company is color Doppler ultrasound machine which is usually imported by the Company.	
9.	Ventilator	A ventilator provides mechanical ventilation by moving breathable air into and out of the lungs, to deliver breaths to a patient who is physically unable to breathe, or breathing insufficiently. Our company sells Ventilators under the brand name of Aero V9 Universal Ventilator.	
Surgical Disposables			
10.	Meditape	It is Micro-porous Hypoallergenic Medical Grade Paper Tape, suitable for surgical dressing & fixation of Medical devices like Intravenous tubing, catheters, and all other medical devices requiring safely secured adhesion to skin for an extended period. Our company has entered into exclusive distribution agreement for importing and marketing JMS Meditape in India.	
11.	Intravenous infusion set	Intravenous Infusion set are used for the controlled infusion of medications, typically over long periods. Our company has entered into technical collaboration agreement with JMS Singapore Pte. Ltd. for manufacturing Intravenous infusion set which are sold under the brand name "JMS" in India	
12.	Scalp Vein Set	This device primarily used for venipuncture. Scalp-vein set sold by our Company is JMS Scalp-vein set.	
13.	Foley Catheter	A Foley catheter is a common type of indwelling catheter. It has soft, plastic or rubber tube that is inserted into the bladder to drain the urine. Silicon Foley catheters are imported from China and sold under the Brand name "Safecath"	
14.	3 Ply Masks	3-ply daily disposable face masks can protect wearers' nose and mouth against contact with splashes, droplets, and sprays that may contain infection. It is advisable to wear this mask in risky areas to reduce exposure to bacterial and viral contaminants. Face Mask sold by our Company is Aero 3 Ply Face Mask.	
Other Healthcare Products			

15.	Digital Thermometer	Digital Thermometer is used for measuring human body temperature. Moreover, the digital displays made it convenient to instantly record the temperature values. Digital Thermometer sold by our Company is Aero Digital Thermometer.	
16.	Cold and Hot Sterilant	The cold disinfectant solution eliminates all microorganisms including viruses, bacteria, spores, fungi, and even the most resistant organisms. It is biodegradable, non-staining, and odorless, no pre-dilution required, rapid in action, and has a long shelf life. It is used for cleaning, disinfecting, and sterilizing dialyzer/bloodline for reuse. It is also used in disinfecting and cleaning bio-film, and calcium precipitates to reduce hemodialysis machine breakdown. Our company sells Cold Sterilant under the brand name of Diaclean. Hot Sterilant is a powerful disinfecting agent that combines the effects of heat and chemical reactions to sanitize Haemodialysis Machines. It wipes out the traces of infecting agents and leaves the machine fit for use.	
17.	Fully Automatic Comfort Dialysis Chair	This dialysis chair features a footboard for relaxation (calf cramps) and increased upholstery thickness, thereby improving patient comfort as well as a manual switch and an electric motor for the shock position adjustment. The chair has electric tilt adjustment, which can also be operated by the patient using a hand switch, the dialysis chair can be brought directly from the sitting position into the shock position. The armrests are automatically adjusted with the chair frame. The patients do not need to change their body or arm positions.	
18.	5 Function Electric ICU Bed with Mattress	Five-function electric hospital bed is the most common use adjustable electric hospital bed. The main functions of 5 function hospital bed are back adjustment, leg adjustment, back & leg adjustment together, trendelenburg/reversed Trendelenburg and height adjustment. Hospital bed sold by our Company is Aero 5 function automatic electric hospital bed.	

OUR OPERATIONS

Our operations involve manufacturing and assembly of medical devices and equipments depending upon the type of products. Broadly, our manufacturing facilities undertake manufacturing of products like:

Hemodialysis Fluid Liquid and Powder form Concentrates, Hot Disinfectant, Cold Disinfectant, Meditape, ECG Electrodes, Nebuliser, Digital Thermometer, 3 Ply Mask and Intravenous Infusion Set. The operations are conducted as per the process plans laid-out and the in-process quality inspection procedures that are carried out as per the QAPs. Once the process is completed, the product is tested once again to ensure performance or properties. While the manufacturing or assembly of each product varies precisely, set forth below is a typical process of manufacturing or assembly carried out by our Company:

- First, Product requirement is raised by marketing team.
- Then Batch/lot planning is issued from planning team.
- On receipt of Raw material issue slip from production department to raw material store, raw material store issues approved material to production department.
- Thereafter Pre-cleaning is done on the product.
- After Pre-cleaning, Assembling of Product is followed by Primary packaging.
- Then Product is terminally sterilized by the means of ETO Sterilization in 24 F fully automatic Double Door ETO Sterilizer.
- After Sterilization Product is transferred to Quality Control for Analysis.
- After Successful completion of testing, Product is transferred from Quarantine to Secondary Packaging.
- And finally Finished Goods is sent for Dispatch.

Further our company also deals in other medical equipments like:Hemodialysis Machine, Dialyzer, ECG machines, Paramonitors, Ultrasound Machine, Ventilator, Scalp Vein Set, Foley Catheter, Fully Automatic Comfort Dialysis Chair, 5 Function Electric ICU Bed with Mattress etc most of which are imported from countries like: Japan, China and Australia.

Our revenue from manufacturing and trading activities are set out as under:

(Amount in Lakhs)

Sr. No.	Particulars	FY 22-23	FY 21-22	FY 20-21
1	Revenue from Manufacturing Operations	5,313.72	4,742.32	3,058.51
2	Revenue from Trading Operations	5,570.17	5,580.37	2,887.10
	Others	30.92	34.31	30.85
	Total	10,914.82	10,357.00	5,976.46

QUALITY MANAGEMENT AND PACKAGING

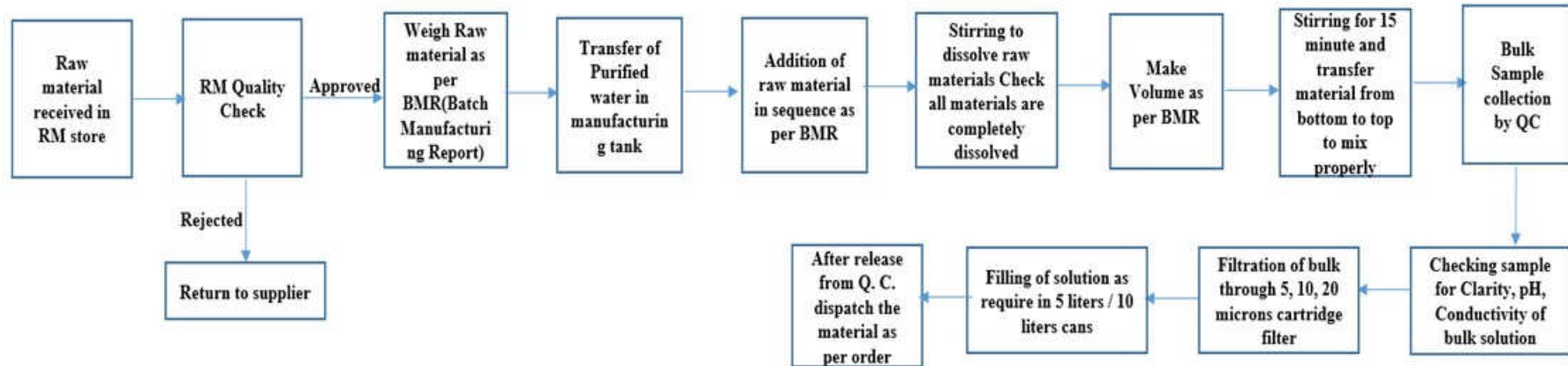
Products are manufactured under controlled conditions & suitable working environment is provided. Adequate Hygienic conditions are maintained. Adequate stress is also laid on personal hygiene of personnel employed in Assembly and packaging activities. Our team is trained to strictly follow the SOP for each type of product to ensure zero rejection.

Verification of product is done at the stages like: inspection, packaging and labelling to ensure its conformity to the specified requirements. Final inspection & tests like: sterility test, bacterial test etc are carried out after sterilization.

Packaging of products also plays a vital role to keep the quality intact. The material and design of the package ensures that: a) The device remains sterile if stored in dry, clean and well-ventilated places; b) The risk of contamination when opening the package and removing the device is minimal; c) The device is protected if transported and stored under normal conditions; d) It is impossible to reseal the package if it has been damaged. Finally visual- inspection of the product like: punctured unit pack and presence of foreign particle in a unit pack, any obvious damage to the unit pack, sealing of unit pack and labelling is done before packaging to the carton.

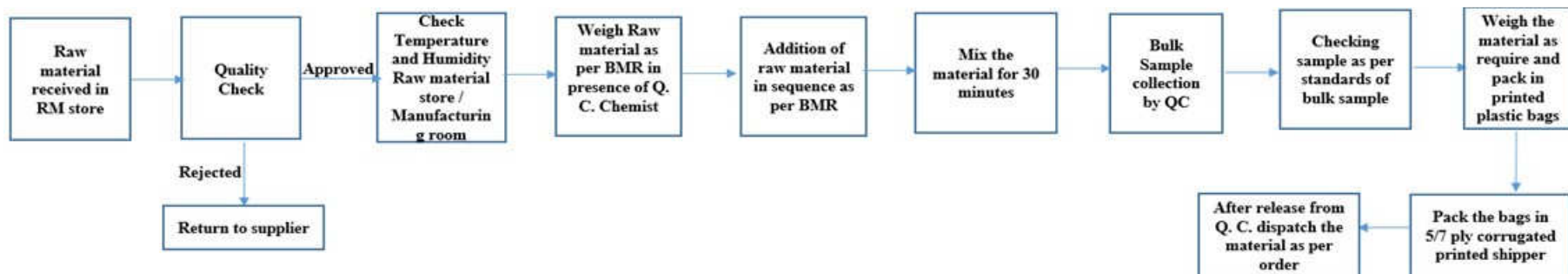
Manufacturing Process

Hemodialysis Fluid Liquid Concentrates



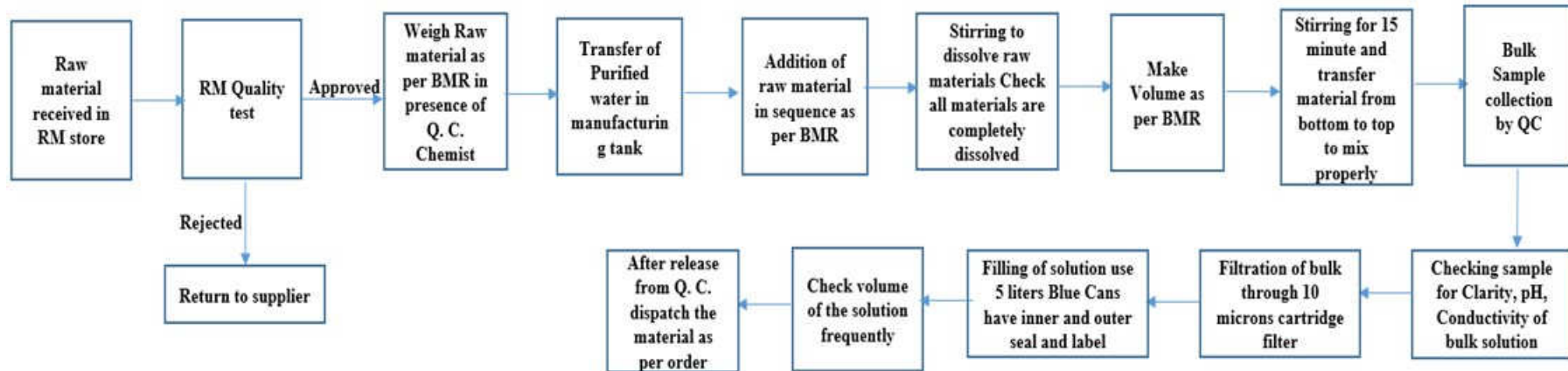
Hemodialysis Solution is mixture of Salt used during dialysis treatment and used to run dialysis machine along with dialyzer(filter).The process of manufacturing dialysis solution Part I (Liquid) is as per Indian Pharmacopia.Purified water from RO system is collected in Stainless steel mixing tank and various salts like sodium chloride, sodium bicarb. Potassium chloride, Calcium, magnesium chloride, citric acid/ acidic acid is mixed with purified water as per IP standard. The solution is then continuously steered with stirrer and then filtered and collected in can for dispatch.

Hemodialysis Fluid Powder Form Concentrates



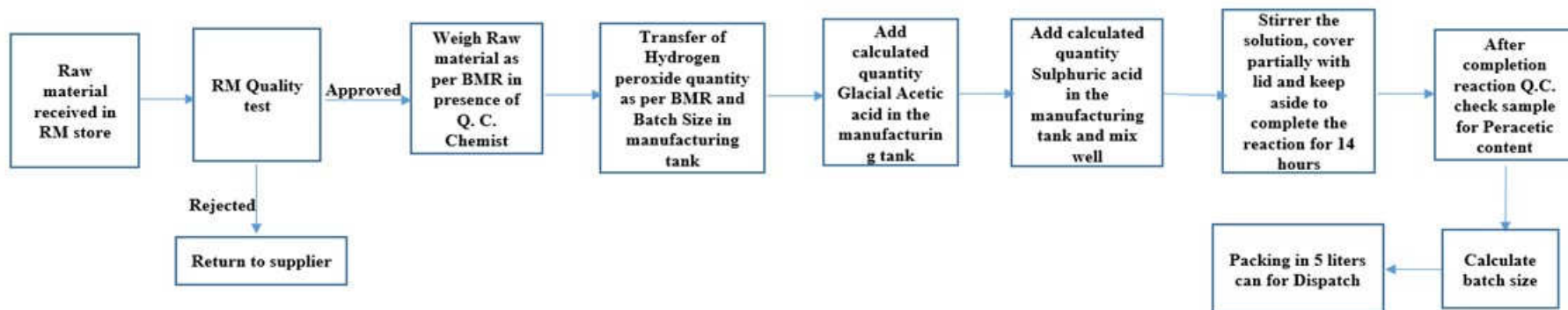
The process of manufacturing dialysis solution in Powder form is as per Indian Pharmacopia.The said Product consist of mixture of Sodium Chloride salt and Sodium biacarb salt. The salts are put in a blender and mixed thoroughly and the said mixture is the packed in aluminum pouches and used in the hospitals.

Hot Disinfectant



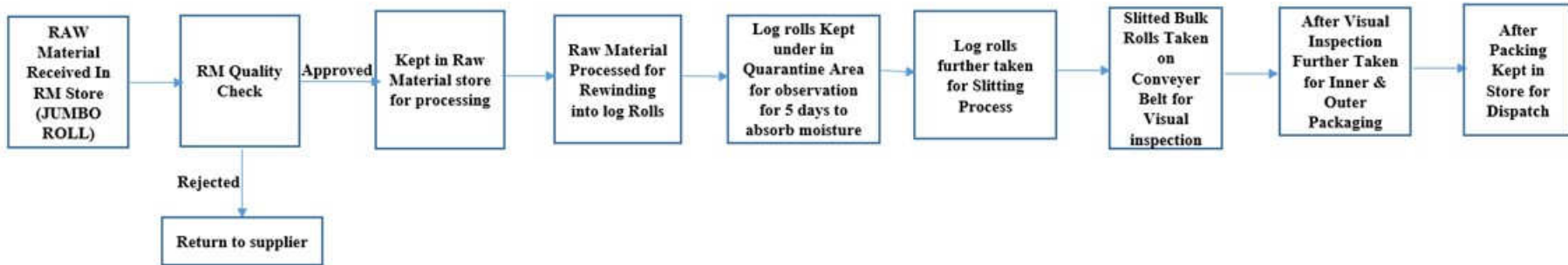
Hot Disinfectant is a Citric acid mixed with purified water, in an Stainless Steel manufacturing tank stirred and packed in a plastic can and is marketed as a disinfectant for cleaning Hemodialysis Machine

Cold Disinfectant



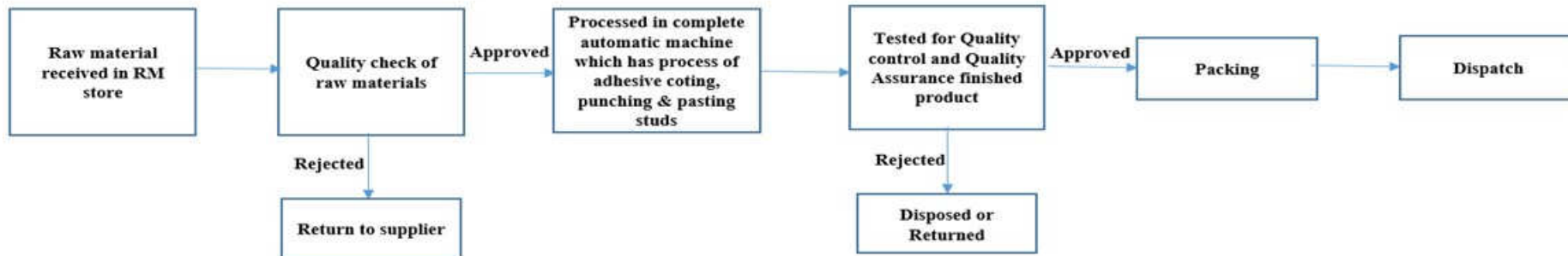
Hot Disinfectant is a disinfectant manufactured by dissolving Peracetic Acid, Citric acid in Purified water. The same is stirred in the Stainless manufacturing tank and after properly stirring it is filled in Plastic can.

Meditape



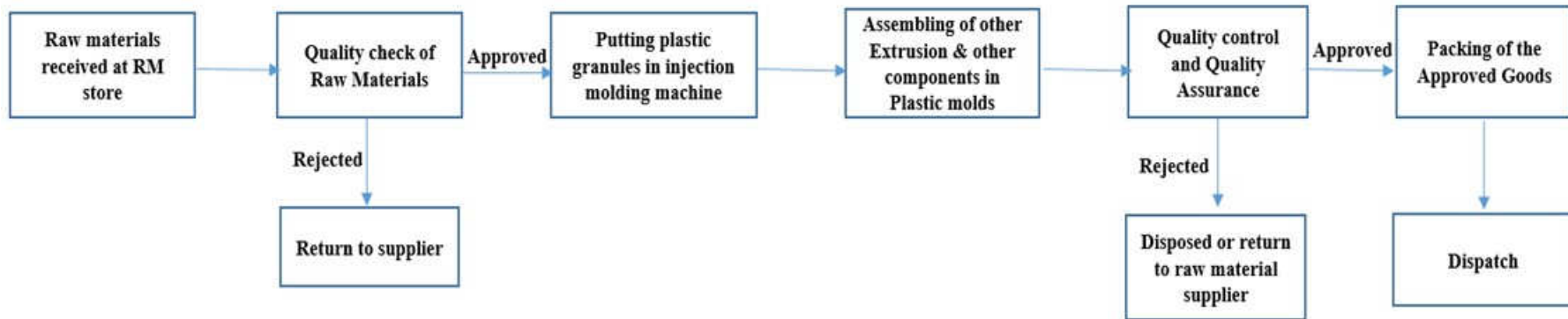
The above Process includes Rewinding of the jumbo roll into Log Rolls (Small Rolls), Slitting of the rolls into tapes of different measurements as per Requirements such as 0.5 inch, 1 inch, 2 inch & 3 inch. After slitting, tapes are packed and dispatched as per the sales orders.

ECG Electrodes



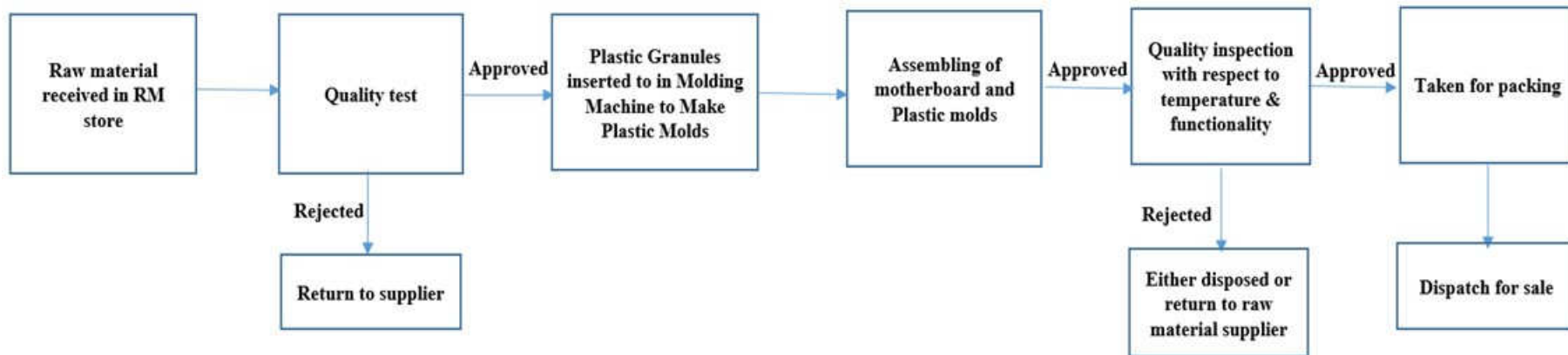
ECG Electrode is used for conducting an electrocardiogram. The ECG Electrode is manufactured on an automated machine. The Medical Grade Adhesive Roll is fed on an automated ECG Machine which cut the Adhesive roll into small round pieces. The Electrode for taking ECG is fed into a vibratory bowl and is fixed on medical-grade Tape and each Electrode is glued by the machine and then the Electrodes are pressed into Tape by automatic ECG Machine then they are packed into an aluminum pouch.

Nebuliser



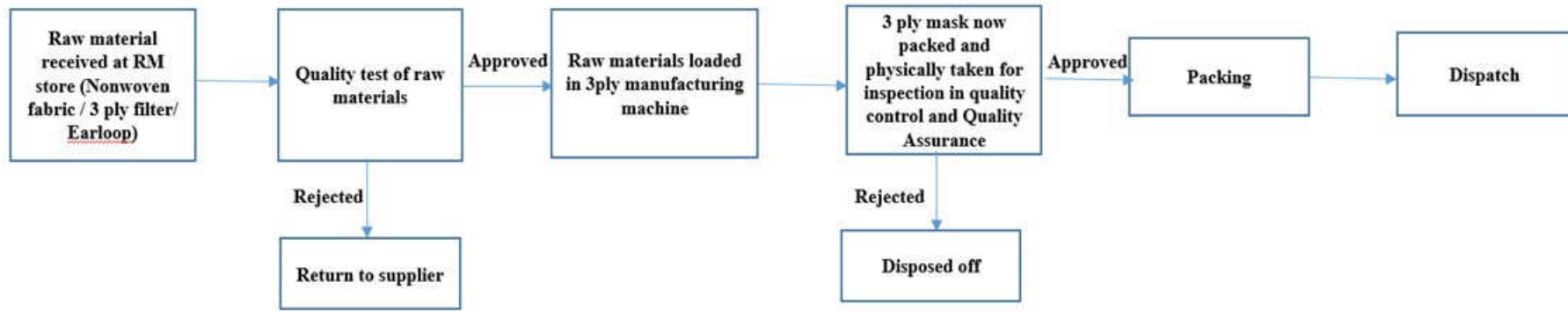
A nebulizer is used when a person is facing a respiratory disorder, the Medication are inhaled by converting liquid medicines into Aerosol particles which are inhaled by patients by breathing and the medicines are administered in lungs for effective relief. The Nebulizer consists of Plastic Parts, High Precision Motor, Power Cord, On-off Switch.

Digital Thermometer



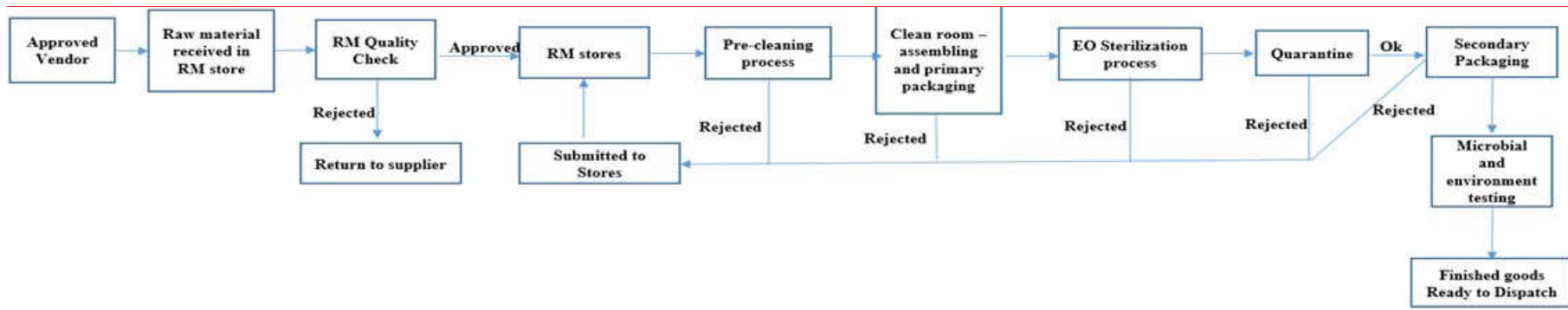
Digital Thermometer is used for Checking body temperature The Thermometer consists of plastic parts, a PCB, and a sensor The Plastic parts are first moulded on injection moulding machines, PCB and Sensor are welded and inserted into the Plastic body. After inserting PCB and sensor the same is checked by testing instrument and they quality passed instrument are packed for dispatch.

3 Ply Mask



3 Ply Mask is manufactured from Nonwoven Fabric, The Non-Woven Rolls are fed into Automatic Mask Making Machine, Rolls, and One Filter Paper Roll is also fed into the mask making Roll. The Mask Making Machine automatically draws Nonwoven Fabric and Filter which is inserted between two layers and is automatically cut into face mask size, the cut mask is further conveyed on a conveyor and is stopped below the ultrasonic strip welding machine. This completes the full mask and is packed into the packing machine for dispatch.

Intravenous Infusion Sets



PRODUCTION AND INSTALLED CAPACITY

Product	Installed Capacity	Units	2020-21		2021-22		2022-23	
			Actual Production	%	Actual Production	%	Actual Production	%
Meditapes	17,06,000	Boxes	8,25,001	48.36	11,50,173	67.42	13,50,000	79.13
Hemodialysis Solution (liquid)	21,60,000	Litres	8,21,400	38.03	10,59,390	49.05	11,70,000	54.17
Hemodialysis Solution (Powder)	29,32,000	KGs	8,59,970	29.33	2,55,540	8.72	3,18,495	10.86
Cold Disinfectant	23,000	Litres	19,080	82.96	13,685	59.50	10,975	47.72
Hot Disinfectant	23,000	Litres	8,900	38.70	8,395	36.50	10,635	46.24
ECG Electrodes	86,40,000	Pieces	12,86,850	14.89	24,65,100	28.53	27,23,800	31.53
Nebuliser	36,000	Pieces	22,790	63.31	21,362	59.34	9529	26.47
Digital Thermometer	3,12,000	Pieces	1,92,235	61.61	2,92,001	93.59	16,789	5.38
3 Ply Mask	1,15,20,000	Pieces	2,95,120	2.56	13,42,980	11.66	-	-
Intravenous Infusion Set	1,38,24,000	Pieces	-	N.A.	4,23,643	3.06	23,95,654	17.33

*The information related to the installed capacity is based on the assumptions and estimates that have been taken into account for the calculation of the installed production capacity. The assumptions and estimates are on the basis of explanations provided, documents verified and on the basis of operating days calculated on an annual basis. Considering these are multiproduct facilities as well as the nature of the manufacturing involves manual intervention, we have taken a combination of these factors to determine the installed capacity.

COLLABORATIONS/TIE UPS/ JOINT VENTURES

Except as disclosed in this Prospectus and in the normal course of business, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date.

EXPORT OBLIGATION

As on date of the Prospectus our company has no outstanding export obligation

SALES AND MARKETING: -

Our Sales and Marketing team keeps a track of new leads and stay in touch with our existing customers for procuring and execution of orders. We undertake a detailed exercise periodically to identify existing and prospective clients with the potential to develop into a large clientele base. The senior management is actively involved in managing client relationships and business development through targeted interaction with multiple contacts at different levels. In order to maintain good relation with our customers, our promoters and our marketing team regularly interacts with them and focuses on gaining an insight into the additional needs of our customers. Our prime consideration for customer selection is timely payments and consistency in purchases. We market and sell our products across India directly and through various dealers and distributors.

We sell most of our products under registered trademark and continuously focus on brand building of our products. We utilize identifiable and standardized colours and typography across packaging materials of our products. Our Company also participates in various national and international exhibitions to showcase our product portfolio and promote brand building. Over the years we have participated in various international exhibitions like: Medic West Africa, 2019, Medtrade 2019, 10th Meditex Bangladesh, 2017, Meditex Bangladesh, 2018, Mediconex Exhibition & Conference, 2018, Medic East Africa, 2016, Medic East Africa 2017 & Medlab East Africa 2017 and Nepal Medical Show, 2018. Furthermore, we have also participated in national exhibitions like: Medical Expo India, Medical Fair 2016, Mumbai etc.

COMPETITION:

We face competition from organized and unorganized players in the healthcare industry which have a presence across multiple regions in India. There are various companies offering products and services similar to us. We believe the principal elements of competition in our industry are price, durability, product quality, timely delivery and reliability and most importantly our pace in keeping up with the changing technology in the industry. To stay competitive, we regularly update our existing facilities/technology and adopt new technology for our manufacturing facilities. We aim to keep our costs of production low to maintain our competitive advantage and our profit margins. We continuously seek new product registrations, marketing

authorizations to increase our product offerings. While there are companies which manufacture similar products that we sell, some of the listed peers included include Poly Medicare Limited.

INFRASTRUCTURE & UTILITIES:

Raw Materials: We require chemicals and solutions for manufacturing products like: Haemodialysis Bicarb, Hot And Cold Sterilant etc at our manufacturing facility situated at Achad Industrial Estate. Furthermore the assembly units II and III situated at Atgaon and Bhiwandi require specific product components procured domestically and imported to be assembled and packaged as per Standard Operating Procedures to be sold in markets of India.

Power: The requirement of power for our operations, at our registered office, manufacturing unit I at Achad Industrial Estate and Assembly unit II at Atgaon is met through Maharashtra State Electricity Distribution Company and that for Assembly unit III at Bhiwandi is met through Torrent Power Limited

Water: Our water requirement is fulfilled through local sources.

HUMAN RESOURCES



We believe that our employees are key contributors to our business success and thus we focus on attracting and retaining the best possible talent. As on December 31, 2022, our Company has employed approximately 172 employees at various levels of the Organization.

INSURANCE



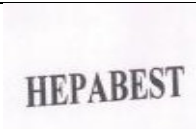

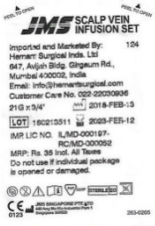
Our operations are subject to accidents which are inherent to any manufacturing process such as risks of machinery/equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. We have FG Bharat Sookshma Udyam Suraksha, Oriental Bhatat Laghu Udyam Suraksha Policy, Bulgaria Floater Policy and various vehicle insurance policies. For further details, please refer to Risk factor **“Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition”** on page 24 of this Prospectus.

INTELLECTUAL PROPERTIES

The details of trademarks used by our Company are:-

S. No.	Brand Name Logo/ Trademark/ Copyright	Class	Nature of Trademark/ Copyright	Owner	Application Number and Date	Status
1.	Trademark	10	JMS 	Hemant Surgical Industries Ltd.	Application no. 2910549 Dated: February 26, 2015	Registered
2.	Trademark	10	JMS SCALP VEIN INFUSION SET 	Hemant Surgical Industries Limited	Application no. 2928093 Dated: March 24, 2015	Registered
3.	Trademark	10	JMS INFUSION SET STERILE	Hemant Surgical Industries Limited	Application no. 2928094 Dated: March 24, 2015	Registered

S. No.	Brand Name Logo/ Trademark/ Copyright	Class	Nature of Trademark/ Copyright	Owner	Application Number and Date	Status
						
4.	Trademark	10	JMS TRANSFUSION SET 	Hemant Surgical Industries Limited	Application no. 2928095 Dated: March 24, 2015	Registered
5.	Trademark	10	AEROZ	Hemant Surgical Industries Ltd	Application No. 2064167 Dated: December 07, 2010	Registered
6.	Trademark	10	CATHSAFE 	Hemant Surgical Industries Ltd	Application no. 2193935 Dated: August 23, 2011	Registered
7.	Trademark	10	SAFECATH 	Hemant Surgical Industries Ltd	Application No. 2193934 Dated: August 23, 2011	Registered
8.	Trademark	10	DIACLEAN 	Hemant Surgical Industries Ltd	Application No.2277739 Dated: February 06, 2012	Registered
9.	Trademark	10	JOY LIFE	Hemant Surgical Industries Ltd.	Application no. 3838267 Dated: May 21, 2018	Registered
10.	Trademark	10	AERO PLUS 	Hemant Surgical Industries Ltd.	Application no. 2037704 Dated: October 14, 2010	Registered
11.	Trademark	5	DIACLEAN	Hemant Surgical Industries Ltd.	Application No.2277738 Dated: February 06, 2012	Registered

S. No.	Brand Name Logo/ Trademark/ Copyright	Class	Nature of Trademark/ Copyright	Owner	Application Number and Date	Status
						
12.	Trademark	5		Hemant Surgical Industries Ltd.	Application no. 1413829 dated January 16, 2006	Registered
13.	Trademark	5	SEPTI - CLEAN	Hemant Surgical Industries Ltd.	Application no. 1164653 dated January 7, 2003	Abandoned
14.	Trademark	5		Hemant Surgical Industries Ltd	Application No.2064166 Dated: December 07, 2010	Registered
15.	Trademark	10	AERO	Hemant Surgical Industries Ltd	Application No. 1319714 Dated: November 09, 2004	Abandoned
16.	Trademark	10	JMS Medi-Tape 320 	Hemant Surgical Industries Ltd	Application No. 2735538 Dated: May 12, 2014	Abandoned
17.	Copyright	Artistic Work	JMS SCALP VEIN INFUSION SET 	Hemant Surgical Industries Ltd	A-133855 Dated May 21, 2020	Registered
18.	Copyright	Artistic Work		Hemant Surgical Industries Ltd	A-133853 Dated May 21, 2020	Registered

IMMOVABLE PROPERTIES

The following table sets forth the location and other details of the properties of our Company:

S. No.	Details of the Property	Actual use	Owned/ Leased
1.	502, 5th Floor, Ecstasy Business Park Co-op Society Limited, J.S.D. Road, Mulund (West), Mumbai City Maharashtra- 400080 India	Registered Office	Owned
2.	Plot No. 21, Achhad Industrial Estate, Taluka Talasari	Manufacturing Unit I	Owned
3.	Unit No. 4-A to 4N, Ground Floor, Plot No.4, Shree Sai Gopal Krishna Baba Industrial Premises Co-operative Society Ltd, Atgaon Shahpura, District- Thane	Assembly Unit II	Leased
4.	F2 Dharam Square, Gut No. 90/1/13, Gram Panchayat House 2624/ F2, near Krishna Complex, opp. Tata Motors, Mumbai Nashik Road, Village Sonale, Taluka Bhiwandi, District- Thane 421302.	Assembly Unit III	Leased
5.	Survey No. 29/1/1 & 28, Village Atgaon, Tal Shahpura District Thane (Previously it was Plot No. 19/1 and 187/1/1)	Warehouse.	Leased
6.	Unit No. 815, 8 th Floor, Lodha Spuremus-II, Plot F4 and F4/1, MIDC, Wagle Estate, Thane, Maharashtra	Given on rent	Owned
7.	Jumboshed Godown No. 1 building no. 188 in the complex "Indian Corporation Complex" , Mouje Gundavali Grampanchayat, Taluka, Bhiwandi, District- Thane	Given on Rent	Owned
8.	Gut No. 231/1/4 (Plot no. 4), Mauje Mhaswal, Bhiwandi, Tal. Wada, District Thane (Palghar)	Freehold land – not put to use	Owned

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled “**Government and other Approvals**” on page 193 of this Prospectus -

This chapter has been classified as under:

- A. Business and Trade related regulations**
- B. Statutory and Business laws**
- C. Laws relating to Labour and Employment**
- D. Environmental Laws**
- E. Tax Laws**
- F. Intellectual Property Legislation**
- G. Regulation for Import & Export**

A. BUSINESS AND TRADE RELATED REGULATIONS

Drugs and Cosmetics Act, 1940 (“DCA”) and Drugs and Cosmetics Rules, 1945 (“DCR”)

The DCA regulates the import, manufacture, distribution and sale of drugs and cosmetics and prohibits the manufacture and sale of certain drugs and cosmetics which are, inter alia, misbranded, adulterated, spurious or harmful. The primary objective of the act is to ensure that the drugs and cosmetics sold in India are safe, effective and conform to state quality standards. The Central Government has also passed the DCR in exercise of powers conferred under the DCA. Medical Devices in India are regulated as drugs by the Central Drugs Standards Control Organization as per the provisions of the Drugs and Cosmetics Act, 1940. The DCR specify the requirement of a license for the manufacture or sale of any drug or cosmetic including for the purpose of examination, testing or analysis. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities.

Medical Device Rules, 2017 (“MDR”)

The Indian Government introduced the MDR which came into effect on January 1, 2018. The rules have been drafted with the intention to distinguish medical devices from pharmaceuticals for the purpose of regulation. Only the devices notified by the Government are regulated and falls under the provisions of regulations as per MDR. In tune with the global practice, the 2017 Rules has introduced a risk based classification system for regulation of medical devices including Low risk (Class A) Low Moderate (Class B) Moderate High (Class C) and High Risk devices classified as (Class D).

The Medical Device (Amendment) Rules, 2020 have introduced two changes to MDR. The first is introduction of a new chapter for registration of Newly Notified Medical Devices by their respective manufacturers and importers. The second is an exemption for the 37 categories of already regulated or notified medical devices from the requirement of registration introduced by the new chapter.

Essential Commodities Act, 1955 (“ECA”)

The ECA gives powers to the Government of India to, among other things, regulate production, distribution and quality of essential commodities including drugs, for maintaining or increasing supplies and for securing their equitable distribution and availability at fair prices. Using the powers under it, various ministries/departments of the Government have issued control orders for regulating production, distribution, quality aspects, movement and prices pertaining to the commodities which are essential and administered by them. The state governments have issued various control orders to regulate various aspects of trading in essential commodities.

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

The 2012 Policy replaces the drug policy of 1994 and presently seeks to lay down 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, so as 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 would be regulated based on the essential nature of the drugs rather than the economic criteria/market share principle adopted in the drug policy of 1994. Further, the 2012 Policy will regulate 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 Drugs (Price Control) Order, 2013 (“DPCO 2013”)

The DPCO was issued by the Central Government under section 3 of the ECA and in supersession of the Drugs (Prices Control) Order, 1995, thereby giving effect to the 2012 Policy. The DPCO 2013, inter alia, provides that the Central Government may issue 94 directions to the manufacturers of active pharmaceutical ingredients or bulk drugs and formulations to increase production or sell such active pharmaceutical ingredient or bulk drug to such manufacturer of formulations and direct the formulators to sell the formulations to institutions, hospitals or any agency, procedures for fixing the ceiling price of scheduled formulations of specified strengths or dosages, retail price of new drug for existing manufacturers of scheduled formulations, method of implementation of prices fixed by Government and penalties for contravention of its provisions. The Government has the power under the DPCO 2013 to recover amounts charged in excess of the notified price from the manufacturer, importer or distributor and the said amounts are to be deposited in the Drugs Prices Equalization Account. The DPCO 2013 prescribes certain instances in which case the provision of the DPCO 2013 will not be applicable. These provisions are applicable to all scheduled formulations irrespective of whether they are imported or patented, unless they are exempted. However, the prices of other drugs can be regulated, if warranted in public interest.

The Factories Act, 1948 (“Factories Act”)

The term ‘factory’, as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act requires the ‘occupier’ of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the “occupier” of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers’ health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with either imprisonment or fine or both.

The Legal Metrology Act, 2009 (“Legal Metrology Act”)

The Legal Metrology 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 and for matters connected therewith or incidental thereto. The key features of the Legal Metrology Act are (a) appointment of Government approved test centers for verification of weights and measures; (b) allowing the companies to nominate a person who will be held responsible for breach of provisions of the Legal Metrology Act. Any non-compliance or violation of the provisions of the Legal Metrology Act may result in, among others, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

The Consumer Protection Act, 2019

The Ministry of Consumer Affairs, Food and Public Distribution (“Ministry of Consumer Affairs”) notified certain sections of the Consumer Protection Act, 2019 (“COPRA”) by way of the notification dated July 15, 2020 (with effect from July 20, 2020), including sections regulating the formation and functioning of the Consumer Protection Council at the national, state and district levels, the formation and functioning of Consumer Dispute Redressal Commissions at the national, state and district levels, mediation of consumer disputes, product liability actions and punishment for manufacturing for sale or storing, selling or distributing or importing products containing adulterants and spurious goods.

The COPRA provides a mechanism for the consumer to file a complaint against a product manufacturer, seller or service provider in cases of unfair contract or trade practices, restrictive trade practices, defected goods, goods which are hazardous or likely to be hazardous to life being sold in contravention to safety standards, deficiency in services and price charged being unlawful. It also places product liability on a manufacturer or product service provider or product seller, to compensate for any harm caused by defective product or deficiency in services. It provides for a three-tier consumer grievance redressal mechanism at the district, state and national levels. Non-compliance of the orders of the redressal commissions attracts

criminal penalties. The COPRA will, inter alia, also introduce a Central Consumer Protection Authority to regulate matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements, which are prejudicial to the interests of public and consumers and promote, protect and enforce the rights of **consumers**.

B. STATUTORY AND BUSINESS LAWS

The Companies Act, 2013

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. At present almost all the provisions of this law have been made effective except a very few. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013. The Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

Competition Act, 2002

The Competition Act, 2002 “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.

Industrial (Development and Regulation) Act, 1951

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings have been made exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum (“IEM”) with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

Indian Contract Act, 1872

Indian Contract Act codifies the way we enter into a contract, execute a contract, and implement provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them. Each contract creates some right and duties upon the contracting parties. Indian contract deals with the enforcement of these rights and duties upon the parties. The Indian Contract Act also lays down provisions of indemnity, guarantee, bailment and agency. Provisions relating to sale of goods and partnership which were originally in the Act are now subject matter of separate enactments viz., the Sale of Goods Act and the Indian Partnership Act. The objective of the Contract Act is to ensure that the rights and obligations arising out of a contract are honoured and that legal remedies are made available to those who are affected.

Negotiable Instruments Act, 1881

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

The Registration Act, 1908 (“Registration Act”)

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

Indian Stamp Act, 1899(the “Stamp Act”)

Under the Indian Stamp Act, 1899 (the “Stamp Act”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

The Sale of Goods Act, 1930 (Sale of Goods)

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional. According to the provisions of this Act, a contract of sale is made by an offer to buy or sell the goods for a price and the acceptance of such offer.

The Act further provides that the contract may provide for the immediate delivery of the goods or immediate payment of the price or both or for the delivery or payment by installments or that the delivery or payment or both shall be postponed. Provisions are made in this Act for existing or future goods, perishable goods, ascertainment of price, conditions and warranties, effects of the contract, delivery to courier, duties of seller and buyer, buyer’s right of examining the goods, liability of buyer for neglecting or refusing the delivery of goods, rights of unpaid seller, suits for breach of the contract, sale, etc.

The Arbitration and Conciliation Act, 1996

This Act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration, to provide that the arbitral tribunal gives reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction, to minimise the supervisory role of courts in the arbitral process, to permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

HISTORY AND CORPORATE STRUCTURE

Brief History and Background of our Company:

Our Company was originally incorporated as “Hemant Surgical Industries Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 27, 1989, bearing registration No.051133 issued by Registrar of Companies, Maharashtra, Mumbai and CIN No. U33110MH1989PTC051133. Subsequently our Company was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on January 24, 1994 and the name of our Company was changed from “Hemant Surgical Industries Private Limited” to “Hemant Surgical Industries Limited” vide fresh Certificate of Incorporation granted to our Company consequent upon conversion into public limited company dated February 22, 1994 by the Registrar of Companies, Maharashtra, Mumbai bearing Corporate Identification Number U33110MH1989PLC051133.

Hanskumar Shamji Shah and Jagdish A. Dharmsey were the initial subscribers to the Memorandum of Association of our Company.

Address of the Registered Office and Factory Offices:

Registered Office	502,5th Floor, Ecstasy Business Park Co-Op Society Limited, J.S.D. Road, Mulund (West), Mumbai City, Maharashtra- 400080 India.
Manufacturing Unit I	Plot No. 21, Achhad Industrial Estate, Taluka, Talasari
Assembly Unit II	Unit No. 4-A to 4-N, Plot No. 4, Ground Floor, Shree Sai Gopal Krishna Baba Industrial Premises Co-operative Society Ltd., Village Atgaon, Taluka Shahpura, District- Thane
Assembly Unit III	F2 Dharam Square, Gut No. 90/1/13, Gram Panchayat House 2624/ F2, near Krishna Complex, opp. Tata Motors, Mumbai Nashik Road, Village Sonale, Taluka Bhiwandi, District- Thane 421302.

Changes in the Registered Office of the Company since Incorporation:

Except as stated below, there has not been any change in our Registered Office since inception of the Company till the date of the Prospectus.

Effective Date	From	To	Reason for Change
June 26, 2017	Avijah Bldg Gr Flr. No 6 & 7 647 Girgaum Rd, Mumbai- 400002, Maharashtra, India	502,5th Floor, Ecstasy Business Park Co- Op Society Limited, J.S.D. Road, Mulund (West), Mumbai - 400080, Maharashtra, India	For Operational reasons

Main Objects of our Company as per the Memorandum of Association:

1. To manufacture, design, construct, prepare, fabricate, install, equip, maintain and run, process, extend, assemble, mould, shape, refine, buy, sell, import, export and otherwise deal in and act as agents, stockists, repairers of Disposable Medical, Surgical instrument or appliances, anaesthetical, anatomical, orthopaedic and surgical equipments and appliances body scanners, X-Ray operators, X-Ray units, X-Ray equipments scientific and medical apparatus hospital, laboratory and industrial safety equipment.

Amendments to the Memorandum of Association

Except as stated below, there has been no change in the Memorandum of Association of our Company since its Incorporation:

Date of Meeting	Type of Meeting	Amendments
January 24, 1994	EGM	Conversion of our Company from Private Limited to Public Limited Company. Consequently name of the Company has been changed from “Hemant Surgical Industries Private Limited” to “Hemant Surgical Industries Limited” and a fresh Certificate of Incorporation dated February 22, 1994 bearing CIN U33110MH1989PLC051133 was issued by Registrar of Companies, Maharashtra, Mumbai.
November 27, 2003	EGM	Increase in authorized share capital from Rs. 25,00,000/- (Rupees Twenty Five Lac Only) to Rs 50,00,000/- (Rupees Fifty Lac Only) divided into 50,000 (Fifty Thousand) equity shares of Rs 100/- (Rupees One Hundred only).
April 21, 2005	EGM	Increase in authorized share capital from Rs. 50,00,000/- (Rupees Fifty Lac Only) to Rs 75,00,000/- (Rupees Seventy Five Lac Only) divided into 75,000 (Seventy

Date of Meeting	Type of Meeting	Amendments
		Five Thousand) equity shares of Rs 100/- (Rupees One Hundred only).
June 14, 2005	EGM	Increase in authorized share capital from Rs. 75,00,000/- (Rupees Seventy Five Lac Only) to Rs 1,00,00,000/- (Rupees One Crore Only) divided into 1,00,000 (On Lakh) equity shares of Rs 100/- (Rupees One Hundred only).
March 28, 2009	EGM	Increase in authorized share capital from Rs. 1,00,00,000/- (Rupees One Crore Only) to Rs 1,25,00,000/- (Rupees One Crore Twenty Five Lakh Only) divided into 1,25,000 (On Lakh Twenty Five Thousand) equity shares of Rs 100/- (Rupees One Hundred only).
December 11, 2009	EGM	Increase in authorized share capital from Rs. 1,25,00,000/- (Rupees One Crore Twenty Five Lac Only) to Rs 1,50,00,000/- (Rupees One Crore Fifty Lakh Only) divided into 1,50,000 (One Lakh Fifty Thousand) equity shares of Rs 100/- (Rupees One Hundred only).
June 03, 2016	EGM	Increase in authorized share capital from Rs. 1,50,00,000/- (Rupees One Crore Fifty lac Only) to Rs 2,00,00,000/- (Rupees Two Crore Only) divided into 2,00,000 (Two Lakh) equity shares of Rs 100/- (Rupees One Hundred only).
October 18, 2021	EGM	Increase in authorized share capital from Rs. 2,00,00,000/- (Rupees Two Crore Only) to Rs 7,50,00,000/- (Rupees Seven Crore Fifty Lakh Only) divided into 7,50,000 (Seven Lakh Fifty Thousand) equity shares of Rs 100/- (Rupees One Hundred only).
April 13, 2022	EGM	Increase in authorized share capital from Rs. 7,50,00,000/- (Rupees Seven Crore Fifty Lakh Only) to Rs 10,50,00,000/- (Rupees Ten Crore Fifty Lakh Only) divided into 10,50,000 (Ten Lakh Fifty Thousand) equity shares of Rs. 100/- (Rupees One Hundred only).
January 03, 2023	EGM	Sub-division of Face value of Equity Shares of the Company from 7,68,000 Equity Shares of 100/- per Equity Share to 76,80,000 Equity shares of 10/- per Equity Share

ADOPTING NEW ARTICLES OF ASSOCIATION OF THE COMPANY AND ALTERATION THEREOF

Our Company has adopted a new set of Articles of Association of the Company in accordance with applicable provisions of the Companies Act 2013 in the Extra-Ordinary General Meeting of the Company dated April 13, 2022.

Major events and milestones of our Company:

The Table below sets forth some of the major events in the history of our company:

Year	Key Events / Milestone / Achievements
1989	Incorporation of the Company in the name of "Hemant Surgical Private Limited"
1993	Became the Sole Agent for JMS Co. Ltd, Japan, for JMS, Meditape
1994	Conversion into Public Limited company with the name Hemant Surgical Industries Ltd.
1999	Started its first manufacturing plant at Achhad, Maharashtra for External Preparation and Small Volume Parentals
2018	Entered into exclusive distribution agreement dated July 01, 2018, valid for a period of 6 years, with JMS Co. Ltd., Japan for importing and marketing JMS Meditape in India. The imported meditape undergoes the process of rewinding, slitting, and packaging in our assembly unit situated at Atgaon and is then sold in Indian market.
2019	Entered into technical collaboration agreement with JMS Singapore Pte. Ltd. for manufacturing Intravenous Infusion Set which are sold under the brand name "JMS" in India.
2019	Signed exclusive distribution agreement with Hemant Phillipines Inc./ Mediply Inc. for supply of renal care equipment, medical devices and consumables for marketing the same in entire Phillipines.
2021	Appointed as sole agent of SWS Hemodialysis Care Co. Ltd., Chinato sell and do maintenance of SWS4000A hemodialysis machines in West India on exclusive basis.
2021	Entered into MOU with Dr. Venkatesh for setting up of dialysis centre at Guru Harikrishan Hospital 24*7 Dialysis Centre, New Delhi
2022	Achieved a Bench mark of 100 Cr Turnover in the FY 2021-22

Changes in activities of our Company during the last five (5) Years:

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Prospectus.

Our Holding Company:

As on the date of the Prospectus, our Company is not a subsidiary of any company.

Our Associates, and Joint Ventures:

As on the date of this Prospectus, our Company does not have any Associate Company and Joint Ventures.

Our Subsidiaries:

Our Company does not have any Subsidiary within the meaning of Section 2 (87) of the Companies Act 2013, as on the date of this Prospectus.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc.:

Our Company has not made any material acquisitions or divestments of business/undertakings mergers, amalgamation, any revaluation of assets, etc. in the last 10 years preceding the date of this Prospectus.

Injunction or Restraining Order:

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

Capacity/ Facility Creation, Location of Plants

For details pertaining to capacity / facility creation, location of plant refers section "**Business Overview**" on page 94 of this Prospectus.

Details of launch of key products, entry in new geographies or exit from existing markets

For details pertaining to launch of key services, entry in new geographies or exit from existing markets, please refer chapter titled "**Business Overview**" on page 94 of this Prospectus

Changes in the Management:

For details of change in Management, please see chapter titled "**Our Management**" on page 119 of the Prospectus.

Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company:

There are no agreements entered into by key managerial personnel or Directors or Promoters or any other employee, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

Shareholders Agreements:

There are no subsisting shareholder's agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Prospectus.

Collaboration Agreements:

As on date of this Prospectus, Our Company is not a party to any collaboration agreements.

Other Material Agreement:

Our Company has not entered into any other subsisting material agreements other than in the ordinary course of business of our Company, as on the date of this Prospectus.

Strategic or Financial Partners:

Except as disclosed in this Prospectus, Our Company does not have any strategic or financial partners as on the date of this Prospectus.

Time and Cost Overruns in Setting up Projects:

There has been no time/ cost overrun in setting up projects by our Company.

Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks:

There have been no defaults that have been called by any financial institution or bank in relation to borrowings availed by our Company from any financial institutions or banks.

Other Agreements:

i. Non-Compete Agreement:

Our Company has not entered into any No-compete Agreement as on the date of filing of this Prospectus.

ii. Joint Venture Agreement:

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Prospectus.

OUR MANAGEMENT

Board of Directors

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Prospectus:

Name, Designation, Age, Date of Birth, Address, Experience, Occupation, Qualification, Current Term with date of appointment, Period of Directorship and DIN	Other Directorships
<p>Hanskumar Shamji Shah</p> <p>Designation: Chairman and Managing Director</p> <p>Age: 66 Years</p> <p>Date of Birth: July 09, 1956</p> <p>Address: 1405, Shobha Suman Bldg, M. M. Malviya Road, Opposite Telephone Exchange, Mumbai, Mulund West, Maharashtra, India – 400080</p> <p>Experience: 35 years</p> <p>Occupation: Business</p> <p>Qualifications: B.com (Intermediate)</p> <p>Current Term: Appointed for three years with effect from December 20, 2022 (not liable to retire by rotation).</p> <p>Period of Directorship: Since incorporation</p> <p>DIN: 00215972</p>	<p>Companies:</p> <ol style="list-style-type: none"> Ikigai Medequipments Private Limited Ikigai Services Private Limited Lifesenz Cancer Research Labs Private Limited <p>LLP:</p> <ol style="list-style-type: none"> Diaso Diagnostics LLP
<p>Kaushik Hanskumar Shah</p> <p>Designation: Whole Time Director and Chief Financial Officer</p> <p>Age: 36 Years</p> <p>Date of Birth: April 06, 1987</p> <p>Address: 1405, Shobha Suman Bldg, M. M. Malaviya Road, Opposite Telephone Exchange, Mumbai, Mulund West, Maharashtra, India – 400080</p> <p>Experience: 15 years</p> <p>Occupation: Business</p> <p>Qualifications: B. Com</p> <p>Current Term: Appointed for three years with effect from December 20, 2022 (liable to retire by rotation).</p> <p>Period of Directorship: Since September 02, 2015</p> <p>DIN: 01483743</p>	<p>Companies:</p> <ol style="list-style-type: none"> Ikigai Medequipments Private Limited Ikigai Services Private Limited Lifesenz Cancer Research Labs Private Limited UHS Oncology Private Limited <p>LLP:</p> <ol style="list-style-type: none"> Diaso Diagnostics LLP
<p>Hemant Praful Shah</p> <p>Designation: Whole Time Director</p> <p>Age: 46 Years</p>	<p>Nil</p>

Name, Designation, Age, Date of Birth, Address, Experience, Occupation, Qualification, Current Term with date of appointment, Period of Directorship and DIN	Other Directorships
<p>Date of Birth: March 03, 1977</p> <p>Address: 1405, Shobha Suman Bldg, M. M. Malviya Road, Opposite Telephone Exchange, Mumbai, Mulund West, Mumbai, Maharashtra, India- 400080.</p> <p>Experience: 25 years</p> <p>Occupation: Business</p> <p>Qualifications: 8th Pass</p> <p>Current Term: Appointed for three years with effect from December20, 2022 (liable to retire by rotation).</p> <p>Period of Directorship: Since September 19, 2000</p> <p>DIN: 00215994</p>	
<p>Nehal Babu Karelia</p> <p>Designation: Non- Executive Director</p> <p>Age: 31 years</p> <p>Date of Birth: January 29, 1992</p> <p>Address: 6B/801, Neelam Nagar, Gavanpada Road, next to Hari Om Sweets, Mulund East, Mumbai, Maharashtra-400081</p> <p>Experience: 14 years</p> <p>Occupation: Business</p> <p>Qualifications: Post Graduate Diploma in Clinical Nutrition & Dietetics- Specialization in Diabetes and Cardiac Care</p> <p>Current Term: Appointed for three years with effect from December20, 2022 (liable to retire by rotation)</p> <p>Period of Directorship: Since December20, 2022</p> <p>DIN: 09845001</p>	Nil
<p>Sourabh Ajmera</p> <p>Designation: Independent Director</p> <p>Age: 32Years</p> <p>Date of Birth: July 27, 1990</p> <p>Address: Flat No. 1403, Tower 3, Challengers CHSL, Thakur Village, Behind Thakur Miraj Cinema, Kandivali East, Mumbai-400101</p> <p>Experience:8 years</p> <p>Occupation: Business</p> <p>Qualifications: CA</p>	<p>Companies:</p> <ol style="list-style-type: none"> 1. Wall Street Journal India Publishing Private Limited 2. BMW Ventures Limited 3. Dow Jones Consulting India Private Limited

Name, Designation, Age, Date of Birth, Address, Experience, Occupation, Qualification, Current Term with date of appointment, Period of Directorship and DIN	Other Directorships
<p>Current Term: Appointed for two years with effect from December 20, 2022</p> <p>Period of Directorship: Since December 20, 2022</p> <p>DIN: 06876514</p>	
<p>Pooja Kirti Kothari</p> <p>Designation: Independent Director</p> <p>Age: 36 Years</p> <p>Date of Birth: August 17, 1986</p> <p>Address: 16, Row House, Pawar Nagar, Rsc3, New Mhada Colony, Apna Bazar, Thane, Maharashtra-400610</p> <p>Experience: 14 years</p> <p>Occupation: Business</p> <p>Qualifications: Post Graduate Diploma in Psychological Counselling and Acupuncture and Food and Nutrition</p> <p>Current Term: Appointed for two years with effect from January 03, 2023 (not liable to retire by rotation)</p> <p>Period of Directorship: Since January 03, 2023</p> <p>DIN: 09833311</p>	<p>Nil</p>

Brief Profile of Directors:

Hanskumar Shamji Shah is the promoter, Chairman and Managing Director of our company. He was originally appointed on the board since incorporation. He is under-graduate. He has an overall experience of around 35 years in healthcare products and services sector. He is currently involved in importing, manufacturing and marketing healthcare products and services. He oversees the entire business operations and overall functions of our Company and is responsible for overseeing the strategic growth initiatives and expansion plans.

Kaushik Hanskumar Shah is the promoter and Whole- Time Director of our company. He has completed his B.com from Commercial University Limited in the year 2006 and is having an experience of over 15 years in importing, manufacturing and marketing healthcare products and services. At present, he is responsible for the Finance, Accounting, Product Development and Quality in our company. We believe that his vast business acumen will provide the requisite value addition to our company.

Hemant Praful Shah is the promoter and Whole- Time Director of our company. He has a work experience of around 25 years in Product Development and Manufacturing of Healthcare and Surgical products. He is a high integrity energetic leader known for ability to envision and create successful outcomes in complex situations.

Nehal Babu Karelia is the Non-Executive Director of our Company. She has a work experience of 3 Years in Clinical Dietitian. She holds a degree of Post Graduate Diploma in Clinical Nutrition & Dietetics- Specialization in Diabetes and Cardiac Care. She holds the membership of Indian Dietetic Association (IDA). As a Non- Executive Director of the Company, she is responsible for providing her expertise for growth and expansion of our Company.

Pooja Kirti Kothari is the Independent Director of our Company. She holds a degree of Post Graduate Diploma in Psychological Counselling and Acupuncture and Food and Nutrition. She is appointed as an independent Director w.e.f January 03, 2023 for the term of two years w.e.f January 03, 2023.

Sourabh Ajmera is the Independent Director of our Company. He has been appointed on the board with effect from December 20, 2022 for a term of two years vide Extra- ordinary General Meeting dated December 20, 2022. He has a work experience 6 Years. He holds the membership of the Institute of Chartered Accountant of India since August 31, 2015. As an Independent Director of our Company with corporate acumen & experience, he brings value addition to our Company.

None of our Directors is or was a director of any listed company during the last five years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.

Family relationship between our Directors

Sr No	Name of Director	Nature of Relationship
1.	Hanskumar Shamji Shah	Father of Kaushik Hanskumar Shah and Uncle of Hemant Praful Shah
2.	Hemant Praful Shah	Nephew of Hanskumar Shamji Shah and Cousin of Kaushik Hanskumar Shah
3.	Kaushik Hanskumar Shah	Son of Hanskumar Shamji Shah and Cousin of Hemant Praful Shah

Arrangements with major Shareholders, Customers, Suppliers or Others:

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

Service Contracts:

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

Details of Borrowing Powers of Directors

Our Company has passed a special resolution in the Extra-Ordinary General Meeting of the members held on December 20, 2022 authorizing the Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of 100.00 Crore (Rupees One Hundred Fifty Crore only).

Compensation of our Managing Director & Whole-time Director

The compensation payable to our Managing Director and Whole-time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188,196,197,198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director & Whole time Director

Particulars	Hanskumar Shamji Shah	Kaushik Hanskumar Shah	Hemant Praful Shah
Appointment/Change in Designation	Appointed as Director since incorporation. Re-designated as Managing Director w.e.f. December 20, 2022	Appointed as Director since September 02, 2015. Re-designated as Whole Time Director w.e.f. December 20, 2022	Appointed as Director since incorporation. Re-designated as Whole Time Director w.e.f. December 20, 2022
Current Designation	Chairman and Managing Director	Whole- Time Director & Chief Financial Officer	Whole- Time Director
Term of Appointment	3 years Not Liable to Retire by rotation	3 years Liable to Retire by rotation	3 years Liable to Retire by rotation
Remuneration & Perquisites	5 Lakh per month	5 Lakh per month	5 Lakh per month
Compensation paid in the FY 2020-21	Rs. 2.5 lakhs per annum	Rs. 3.5 lakhs per annum	Rs. 3.5 lakhs per annum

Bonus or Profit-Sharing Plan for our Directors

We have no bonus or profit-sharing plan for our Directors.

Sitting Fees

As per Articles of Association of our Company and pursuant to Board Resolution dated January 04, 2023 the remuneration payable in terms of sitting fees to the Directors (including Independent Directors) for attending the Meetings of the Board and Committee thereof shall not exceed the limits prescribed under Section 197(5) of the Companies Act, 2013.

Shareholding of our Directors as on the date of this Prospectus:

Sr. No.	Name of the Directors	No. of Shares Held	Holding in %
1.	Hanskumar Shamji Shah	35,26,400	45.92
2.	Kaushik Hanskumar Shah	21,03,120	27.38
3.	Hemant Praful Shah	17,34,080	22.58

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Prospectus.

As on date, we do not have any Subsidiary Company as defined under Section 2(6) of the Companies Act, 2013.

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, see- **“Compensation of our Managing Director and Whole time Directors”** beginning on Chapter titled **“Our Management”** page 119 of this Prospectus.

Our Directors may also interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them to our Company and for the Personal Guarantee given by Directors towards financing facility availed by our Company from Standard Chartered Bank. For details of the related party transactions please refer to **“Statement of Financial Indebtedness”** and **“Annexure XXXI”** of Section **“Financial Information of the Company”** on page 173 and 165 respectively of this Prospectus.

Except as stated otherwise in this Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Further except as provided hereunder, our Directors are not interested in our Company in any manner:

Interest in the property of Our Company

Except as mentioned hereunder, our Directors do not have any other interest in any property acquired/rented by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of the Prospectus

- Our Company has entered into Leave and License Agreement executed on October 20, 2020 with our Director, Hemant Praful Shah and our promoter group member, Leena Hanskumar Shah (Licensor) for the period of 60 (Sixty) months from October 01, 2020 to September 30, 2025 for use of property situated at Survey No. 29/1/1 & 28, Village Atgaon, Tal Shahpura District Thane as company's warehouse.

Changes in Board of Directors in Last 3 Years

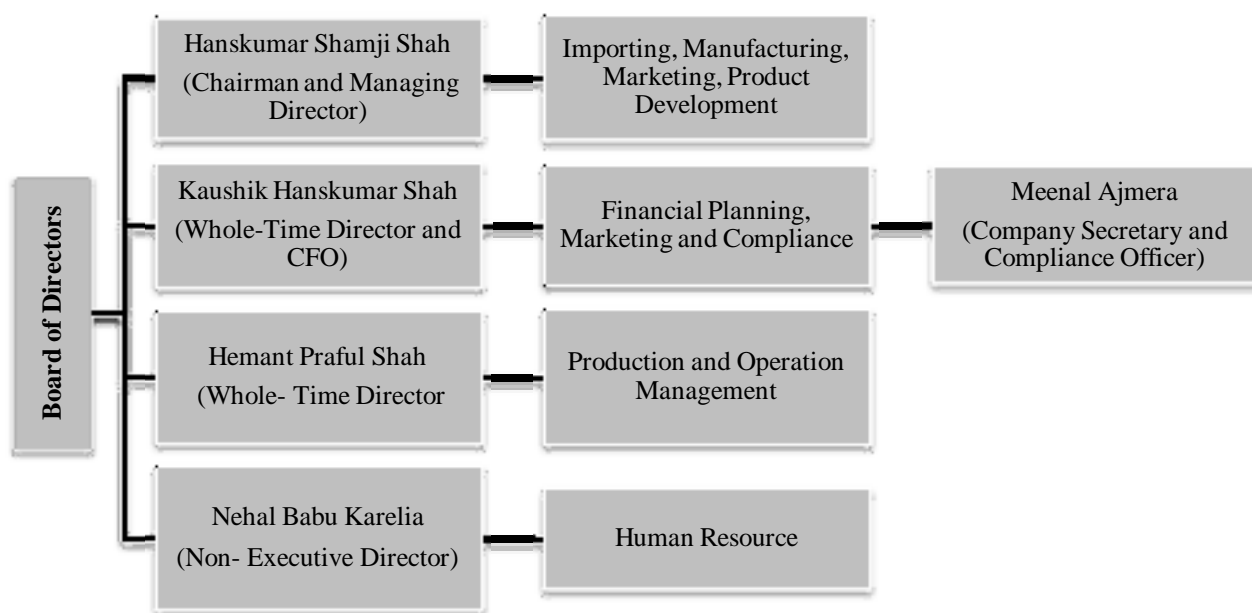
Except as mentioned hereunder, there is no change in Board of Directors of the Company in last 3 years: -

Sr. No.	Name	Date of change	Appointment / Re – Appointment	Reasons for Change
1.	Kaushik Hanskumar Shah	December 17, 2022	Appointment as Chief Financial Officer	To ensure better Corporate Governance
2.	Hanskumar Shamji Shah	December 20, 2022	Change in Designation to Chairman and Managing Director	
3.	Kaushik Hanskumar Shah	December 20, 2022	Change in Designation to Whole- Time Director	
4.	Hemant Praful Shah	December 20, 2022	Change in Designation to Whole- Time Director	

Sr. No.	Name	Date of change	Appointment / Re – Appointment	Reasons for Change
5.	Nehal Babu Karelia	December 20, 2022	Appointment as Non- Executive Director	
6.	Sourabh Ajmera	December 20, 2022	Appointment as Independent Director	
7.	Pooja Kirti Kothari	January 03, 2023	Appointment as Independent Director	

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:



COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations, 2018 will be applicable to our Company immediately upon the listing of our Company’s Equity Shares on the BSE. The requirements pertaining to the Composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees, as applicable on us, have been complied with.

Our Board has been constituted in compliance with the Companies Act and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Six (6) directors of which two (2) are Independent Directors, and we have two (2) women directors on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

1. Audit Committee

Our Company at its Board Meeting held on January 04, 2023 has approved the constitution of an Audit Committee (“*Audit Committee*”) in compliance with the provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 18 of SEBI Listing Regulations. The Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Sourabh Ajmera	Chairman	Independent Director
Pooja Kirti Kothari	Member	Independent Director
Kaushik Hanskumar Shah	Member	Whole-Time Director

The Company Secretary of the Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of the Company to furnish clarifications to the shareholders on any matter relating to accounts. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure of the Committee:

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee:

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

C. Power of the Committee:

The Audit Committee shall have powers, including the following:

- 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 as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
- e) To have full access to information contained in records of Company.

D. Role of the Committee:

The Role of Audit Committee together with its powers as per Part C of Schedule II of SEBI Listing Regulation and Companies Act, 2013 shall be as under:

- 1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- 2) Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- 3) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- 4) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- 5) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Qualifications and modified opinions in the audit report.
- 6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 7) 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. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- 8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- 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) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

- 13) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- 14) 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;
- 15) Discussing with internal auditors on any significant findings and follow up thereon;
- 16) 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;
- 17) Discussing 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;
- 18) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 19) Reviewing the functioning of the whistle blower mechanism;
- 20) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- 21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- 22) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- 23) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law; and
- 24) Carrying out any other functions as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations 2015.

Further, 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 appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- 6) statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

2. Nomination and Remuneration Committee

Our Company at its Board Meeting held on January 04, 2023 has approved the constitution of Nomination and Remuneration Committee in compliance with the provisions of Section 178, Schedule V and all other applicable provisions of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and Regulation 19 SEBI Listing Regulations. The Nomination and Remuneration Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Sourabh Ajmera	Chairman	Independent Director
Pooja Kirti Kothari	Member	Independent Director
Nehal Babu Kareliya	Member	Non- Executive Director

The Company Secretary of the Company shall act as a Secretary to the Nomination and Remuneration Committee. The Chairman of the Nomination and Remuneration Committee is entitled to attend the general Meeting of the company to furnish clarifications to the shareholders on any matter relating to remuneration. The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure of the Committee:

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings of the Committee:

The committee shall meet as and when the need arises, subject to at least one meeting in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher, including at least one independent director in attendance.

The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

C. Scope and terms of reference:

The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under:

- 1) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) For the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. Consider the time commitments of the candidates.
- 3) formulation of criteria for evaluation of the performance of independent directors and the Board;
- 4) devising a policy on diversity of our Board;
- 5) identifying persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
- 6) determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- 7) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
- 8) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
- 9) recommending to the Board, all remuneration, in whatever form, payable to senior management;
- 10) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
- 11) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
- 12) analyzing, monitoring and reviewing various human resource and compensation matters;
- 13) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- 14) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
- 15) Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

3. Stakeholders Relationship Committee

Our Company at its Board Meeting held on January 04, 2023 has approved the constitution of the Stakeholders Relationship Committee in compliance with the provisions of the Section 178(5) and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Pooja Kirti Kothari	Chairman	Independent Director
Sourabh Ajmera	Member	Independent Director
Kaushik Hanskumar Shah	Member	Whole-Time Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholder Relationship Committee. The scope and function of the Stakeholder Relationship Committee and its terms of reference shall include the following:

A. Tenure of the Committee:

The Stakeholder Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder Relationship Committee as approved by the Board.

B. Meetings of the Committee:

The Stakeholder Relationship Committee shall meet at least once in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

C. Scope and terms of reference:

The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:

- 1) Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- 2) Review of measures taken for effective exercise of voting rights by shareholders;
- 3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
- 4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- 5) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- 6) To handle the grievances of the stakeholders in connection with the allotment and listing of shares;
- 7) Ensure proper and timely attendance and redressal of investor queries and grievances;
- 8) Carrying out any other functions contained in the Companies Act, 2013 and/or other documents (if applicable), as and when amended from time to time; and
- 9) To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
- 10) Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

KEY MANAGERIAL PERSONNEL

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

Name, Designation, Educational Qualification & Term of office	Age (Years)	Date of joining	Compensation paid for F.Y. ended 2022-23 (in Rs. Lacs)	Overall experience (in years)	Previous Employment
Hanskumar Shamji Shah Designation: Chairman and Managing Director Educational Qualification: B. Com Inter Term of Office: Appointed for a period for 3Years with effect from December 20, 2022	66 years	December 20, 2022	2.5 Lacs per month	35 years	Milton Textiles
Kaushik Hanskumar Shah Designation: CFO & Whole- Time Director Educational Qualification: B. Com Term of Office: Appointed for a period for 3 Years with effect from December 20, 2022	36 years	December 20, 2022	3.5 Lacs per month	15 years	-
Hemant Praful Shah Designation: Whole- Time Director Educational Qualification: 8 th Pass	46 years	December 20, 2022	3.5 Lacs per month	25 years	-

Name, Designation, Educational Qualification & Term of office	Age (Years)	Date of joining	Compensation paid for F.Y. ended 2022-23 (in Rs. Lacs)	Overall experience (in years)	Previous Employment
Term of Office: Appointed for a period for 3Years with effect from December 20, 2022					
Meenal Ajmera Designation: Company Secretary and Compliance Officer Educational Qualification: CS and LLB	33 years	April 05, 2023	-	8 years	Uniclan Healthcare Private Limited

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Hanskumar Shamji Shah - Please refer to section “Brief Profile of our Directors” beginning on page 119 of this Prospectus for details.

Kaushik Hanskumar Shah -Please refer to section “Brief Profile of our Directors” beginning on page 119 of this Prospectus for details.

Hemant Praful Shah -Please refer to section “Brief Profile of our Directors” beginning on page 119 of this Prospectus for details.

Meenal Ajmera is the Company Secretary and Compliance officer of our Company. She is qualified Company Secretary from Institute of Company Secretaries of India completed in the year 2013. She has completed her LLB from Rajasthan University, in the year 2014. She has around 8 years of experience in the secretarial, legal matters and GST matters. She looks after the overall corporate governance and secretarial matters of our Company.

We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the abovementioned Key Managerial Personnel have been recruited.
- None of our KMPs except Hanskumar Shamji Shah, Kaushik Hanskumar Shah and Hemant Praul Shah are also part of the Board of Directors.
- In respect of all above-mentioned Key Managerial Personnel, there has been no contingent or deferred compensation accrued for the period March 31, 2023.
- Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Prospectus except as under: -

Sr. No.	Name of the KMP	No. of Shares held
1.	Hanskumar Shamji Shah	35,26,400
2.	Kaushik Hanskumar Shah	21,03,120
3.	Hemant Praful Shah	17,34,080
	Total	73,63,600

- Presently, we do not have ESOP/ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the industry to which our company belongs.

Payment of benefits to officers of Our Company (non-salary related)

Except as disclosed in this Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amount towards superannuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer’s employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Changes in the Key Managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

Sr. No.	Name	Designation and period	Appointment/Cessation/Re-designation	Reasons
1.	Hanskumar Shamji Shah	Chairman & Managing Director (for 3 years w.e.f. December 20, 2022)	Re-designation	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance
2.	Kaushik Hanskumar Shah	CFO & Whole-Time Director (for 3 years w.e.f. December 20, 2022)	Re-designation	
3.	Hemant Praful Shah	Whole-Time Director (for 3 years w.e.f. December 20, 2022)	Re-designation	
4.	Anita Jaiswal	Company Secretary & Compliance Officer (w.e.f. March 31, 2023)	Resignation	Due to pre occupation in other assignments
5.	Meenal Ajmera	Company Secretary & Compliance Officer (w.e.f. April 05, 2023)	Appointment	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance

Interest of Our Key Managerial Persons

Apart from the shares held in the Company and to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our key managerial personal are interested in our Company. For details, please refer section titled "*Financial information of the Company - Related Party Transaction*" beginning on page 165 respectively of this Prospectus.

Interest in the property of our Company

Except as mentioned in the section "*Interest of Directors- Interest in the properties of our Company*" on page 123 of this Prospectus, our KMPs do not have any other interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of filing the Prospectus with RoC.

Arrangement and Understanding with Major Shareholders/Customers/ Suppliers

None of the above Key Managerial Personnel have been selected pursuant to any arrangement/understanding with majorshareholders/customers/suppliers.

Details of Service Contracts of the Key Managerial Personnel

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any othercontractual arrangements with our Company for provision of benefits or payments of any amount upon termination ofemployment.

Loans given/availed by Directors / Key Managerial Personnel of Our Company

For details of unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in thepast please refer to "*Annexure – XXXI- Related Party Disclosures*" page 165 of this Prospectus.

ESOP/ESPS Scheme To Employees

Presently, we do not have any ESOP/ESPS Scheme for our employees.

OUR PROMOTERS & PROMOTER GROUP

A. OUR PROMOTERS:

The Promoters of our Company are:

1. Hanskumar Shamji Shah,
2. Kaushik Hanskumar Shah, and
3. Hemant Praful Shah

As on date of this Prospectus, our Promoters, in aggregate, hold 73,63,600 Equity shares of our Company, representing 95.88% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share Capital held by our Promoters*", on page 52 of this Prospectus.

Brief Profile of our Promoters are as under:

	<p>Hanskumar Shamji Shah- Chairman and Managing Director</p> <p>Hanskumar Shamji Shah, aged 66 years, is our individual Promoter and is also the Chairman & Managing Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see "<i>Our Management – Brief biographies of Directors</i>" on Page 119</p> <p>Other ventures of our Promoter:</p> <ul style="list-style-type: none"> • Partnership Firm:M/s Hanshik Healthcare <p>His permanent account number is AAIPS0147A.</p> <p>For details of his shareholding, please see "<i>Capital Structure</i>" on page 52</p>
	<p>Kaushik Hanskumar Shah- Whole-Time Director & CFO</p> <p>Kaushik Hanskumar Shah, aged 36 years, is our individual Promoter and is also the Whole Time Director & CFO on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see "<i>Our Management – Brief biographies of Directors</i>" on Page 119</p> <p>Other ventures of our Promoter:</p> <ul style="list-style-type: none"> • Partnership Firm:M/s Hanshik Healthcare <p>His permanent account number is BBWPS7665B.</p> <p>For details of his shareholding, please see "<i>Capital Structure</i>" on page 52</p>
	<p>Hemant Praful Shah- Whole-Time Director</p> <p>Hemant Praful Shah, aged 46 years, is our individual Promoter and is also the Whole Time Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see "<i>Our Management – Brief biographies of Directors</i>" on Page 119</p> <p>Other ventures of our Promoter: Nil</p> <p>His permanent account number is AAIPS7621K.</p> <p>For details of his shareholding, please see "<i>Capital Structure</i>" on page 52</p>

For brief biography of our Individual Promoters, please refer to Chapter titled "Our Management" beginning on page 119 of this Prospectus.

Confirmations/ Declarations:

In relation to our Promoters, Hanskumar Shamji Shah, Hemant Praful Shah and Kaushik Hanskumar Shah, our Company confirms that the PAN, Bank Account Numbers, Passport Number, Aadhaar Card Number and Driving License number shall be submitted to BSE at the time of filing of this Prospectus.

Undertaking/ Confirmations:

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action is taken by any stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
- There are no defaults in respect of payment of interest and principal to the debenture/ bond/ fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 187 of this Prospectus.
- None of our Promoters, person in control of our Company are or have 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 or any other authority.

Interest of our Promoters:

i. Interest in promotion and shareholding of Our Company:

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Prospectus, Our Promoters Hanskumar Shamji Shah, Kaushik Hanskumar Shah and Hemant Praful Shah holds 73,63,600 Equity Shares in our Company i.e. 95.88% of the pre issue paid up Equity Share Capital of our Company. Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them for the rent, purchase & sale transactions, reimbursement of expenses payable to them and unsecured loan advanced to/ taken from them, if any. For details, please refer to ANNEXURE - XXXI – “*Related Party Transactions*” beginning on page 165 of this Prospectus.

For details regarding the shareholding of our Promoters in our Company, please see “*Capital Structure*” on page 52 of this Prospectus.

ii. Interest in the property of Our Company:

Except as mentioned hereunder, our Promoters do not have any other interest in any property acquired/rented by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of the Prospectus

Except as mentioned hereunder, our Promoters do not have any other interest in any property acquired/rented by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of the Prospectus

- Our Company has entered into Leave and License Agreement executed on October 20, 2020 with our promoter, Hemant Praful Shah and our promoter group member, Leena Hanskumar Shah (Licensor) for the period of 60 (Sixty) months from October 01, 2020 to September 30, 2025 for use of property situated at Survey No. 29/1/1 & 28, Village Atgaon, Tal Shahpura District Thane as company’s warehouse.

iii. In transactions for acquisition of land, construction of building and supply of machinery

Our Promoters are not interested in any transaction for the acquisition of land, construction of building or supply of machinery.

iv. Other Interests in our Company

For monetary transactions entered in past please refer *Annexure XXXI* on “*Related Party Transactions*” on page 165 forming part of “*Financial Information of the Company*” of this Prospectus

Further, our promoters may be interested to the extent of personal guarantees given by them in favour of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to “*Statement of Financial Indebtedness*” and “*Financial Information of Our Company*” on page 173 and 136 respectively of this Prospectus.

Payment or Benefits to our Promoter and Promoter Group during the last 2 years:

For details of payments or benefits paid to our Promoters and promoter group, please refer to the paragraph “*Compensation of our Managing Director and Whole Time Directors*” in the chapter titled “*Our Management*” beginning on page 119 also refer Annexure XXXI on “*Related Party Transactions*” on page 165 forming part of “*Financial Information of the Company*” and Paragraph on “*Interest of Promoter*” in chapter titled “*Our Promoters and Promoter Group*” on page 131 of this Prospectus.

Companies/ Firms with which our Promoters have disassociated in the last (3) three years:

Our promoters have not disassociated themselves from any of the Company, Firms or other entities during the last three years preceding the date of this Prospectus

Other ventures of our Promoter:

Save and except as disclosed in this section titled “*Our Promoters & Promoter Group*” beginning on page 131 of this Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

Litigation details pertaining to our Promoter:

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “*Outstanding Litigations and Material Developments*” beginning on page 187 of this Prospectus.

Material Guarantees:

Except as stated in the “*Statement Of Financial Indebtedness*” and “*Financial Information Of The Company*” beginning on page 173 and 136 of this Prospectus respectively, our Promoters has not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Prospectus.

Experience of Promoters in the line of business:

Our Promoters, Hanskumar Shamji Shah has an experience of around 35 years, Kaushik Hanskumar Shah has an experience of around 15 years and Hemant Praful Shah has an experience of around 25 years in importing, manufacturing and marketing medical equipments and disposables.

Related Party Transactions:

Except as stated in “*Annexure – XXXI- Related Party Transactions*” beginning on page 165 of this Prospectus, and as stated therein, our Promoter or any of the Promoter Group Entities do not have any other interest in our business.

B. OUR PROMOTER GROUP

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

(a) Natural persons i.e., an immediate relative of the promoters (i.e., any spouse of that person, or any parent, brother, sister or child of the person or of the spouse);

As per Regulation 2(1) (pp) (ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters) are as follows:

Relationship with Promoter	Hanskumar Shamji Shah	Kaushik Hanskumar Shah	Hemant Praful Shah
Father	Late Shamji Shah	Hanskumar Shamji Shah	Late Praful Shah
Mother	Late Damyantiben Shamji	Leena Hanskumar Shah	Ranjan Praful Shah

Relationship with Promoter	Hanskumar Shamji Shah	Kaushik Hanskumar Shah	Hemant Praful Shah
	Shah		
Spouse	Leena Hanskumar Shah	Mansi Shah	Neha Hemant Shah
Brother	Late Praful Shah	-	-
Sister	Aruna Shah Rita Bharat Munvar Usha Momaya Nayna Khona	Neha Hanskumar Shah	-
Son	Kaushik Hanskumar Shah	-	Neel Shah Naman Hemant Shah
Daughter	Neha Hanskumar Shah	Peher Shah	-
Spouse's Father	Late Anandji Dharamsey	Jayant Makda	Late Tekandra Dharamsey
Spouse's Mother	Late Sonbai Dharamsey	Jaishri Makda	Hemlata
Spouse's Brother	Late Jagdish A. Dharmsey Late Mulraj Dharamsey Late Bharat Dharamsey	-	Jayesh Bhaves
Spouse's Sister	-	Mamta Shah	-

(b) Corporate Entities or Firms forming part of the Promoter Group:

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

S.No.	Nature of Relationship	Entity
1	Any Body corporate in which 20% or more of the equity share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the Promoter or any one or more of his immediate relatives is a member	Companies: 1. Ikigai Medequipments Private Limited 2. Ikigai Services Private Limited 3. Lifesenz Cancer Research Labs Private Limited 4. UHS Oncology Private Limited
2	Any company in which a company mentioned in (1) above, holds 20% or more, of the equity share capital	Nil
3	Any HUF or firm in which the aggregate shareholding of the Promoter and his immediate relatives is equal to or more than 20% of the total	Partnership Firm: 1. M/s Hanshik Heathcare LLP: 1. Diaso Diagnostics LLP

(c) All persons whose shareholding is aggregated under the heading "shareholding of the Promoter Group":

None of other persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1) (pp)(v) of SEBI (ICDR) Regulations 2018.

DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not paid / declared any dividend in last three years from date of this Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

SECTION VI. FINANCIAL INFORMATION OF THE COMPANY

INDEPENDENT AUDITORS' REPORT ON RESTATED FINANCIAL INFORMATION

To
The Board of Directors
HEMANT SURGICAL INDUSTRIES LIMITED
502, 5th Floor, ECSTASY,
City of Joy Commercial,
JSD Road, Mulund West,
Mumbai - 400080

Dear Sirs,

1. We have examined the attached restated financial statements of assets and liabilities of Hemant Surgical Industries Limited, (hereinafter referred to as “the Company”) as at March 31, 2023, 2022 and 2021 restated summary statement of profit and loss, restated summary statement of Cash Flows Statement for the period ended on as at March 31, 2023, 2022 and 2021, the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively referred to as the ” restated summary statements” or “restated financial statements”) annexed to this report and initialled by us for identification purposes. These restated financial statements have been prepared by the management of the Company and approved by the Board of Directors of the company in connection with its proposed SME Initial Public Offer of equity shares (“SME IPO”) on relevant stock exchange.
2. These restated summary statements have been prepared in accordance with the requirements of:
 - (i) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (“the Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (“ICDR Regulations”) and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“SEBI”)
 - (iii) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”)
3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Offer Document/ Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Mumbai in connection with the proposed SME IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV of the Restated Financial Information. The Board of Directors responsibility includes designing implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.
4. We, **M/s A D V & Associates** Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and holds the peer review certificate dated 25 January, 2022 valid till 31 January, 2025. We confirm that there is no express refusal by the peer review board of ICAI to renew the certificate and the process to renew the peer review certificate has been initiated by us.
5. We have examined such restated financial statements taking into consideration:
 - (i) The terms of reference and terms of our engagement agreed upon with you in accordance with our letter dated September 12, 2022 in connection with the Draft Offer Document/ Offer Document being issued by the Company for its proposed Initial Public Offering of equity shares on relevant stock exchange (“IPO” or “SME IPO”); and
 - (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“Guidance Note”). The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
 - (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

- (iv) 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.
6. These Restated Financial Statements of the Company have been extracted by the management from the audited financial statements of the Company for the period ended on as at March 31,2023, 2022 and 2021 which has been approved by the Board of Directors. The Opening Balance of Reserve and Surplus has been extracted from the Closing Balance of Reserve and Surplus from Restated Financials of 2019-20 of the Company.
7. Based on our examination, we are of the opinion that the restated financial statements have been prepared:
- Using consistent accounting policies for all the reporting periods.
 - Adjustments for prior period and other material amounts in the respective financial years to which they relate.
 - There are no extra-ordinary items other than those appearing in financials that need to be disclosed separately in the accounts and requiring adjustments.
 - There are no audit qualifications in the audit reports issued by the statutory auditor for the period ended March 31,2023, 2022 and 2021 which would require adjustments in these restated financial statements of the Company.
8. Audit for the period ended March 31, 2023 and 2022 was conducted by us, whereas audit for March 2021 was conducted by Vijay V. Dedhiya & Co. The financial report included for these periods is based solely on the report submitted by Vijay V Dedhiya & Co. for March 2021. Further financial statements for period ended on March 31, 2023 and March 31, 2022 have been reaudited by us as per the relevant guidelines.
9. 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 for the period ended on March 31, 2023, 2022 and 2021 proposed to be included in the Draft Offer Document/ Offer Document.

Annexure to restated financial statements of the Company:-

- Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
- Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
- Summary statement of cash flow as restated as appearing in ANNEXURE III;
- Restated significant accounting policies and notes to accounts as appearing in ANNEXURE IV;
- Share capital as restated as appearing in ANNEXURE V to this report;
- Reserves and surplus as restated as appearing in ANNEXURE VI to this report;
- Long-term borrowings as restated as appearing in ANNEXURE VII to this report;
- Deferred tax asset/liability as restated as per ANNEXURE VIII to this report;
- Long-term provisions as restated as appearing in ANNEXURE IX to this report;
- Short-term borrowings as restated as appearing in ANNEXURE X to this report;
- Trade payables as restated as appearing in ANNEXURE XI to this report;
- Other current liabilities as restated as appearing in ANNEXURE XII to this report;
- Short-term provisions as restated as appearing in ANNEXURE XIII to this report;
- Property, Plant & Equipment as restated as appearing in ANNEXURE XIV to this report;
- Non-current investment as restated as appearing in ANNEXURE XV to this report;
- Long-term loans and advances as restated as appearing in ANNEXURE XVI to this report;
- Inventories as restated as appearing in ANNEXURE XVII to this report;
- Trade receivables as restated as appearing in ANNEXURE XVIII to this report;
- Cash & cash equivalents as restated as appearing in ANNEXURE XIX to this report;
- Short-term loans & advances as restated as appearing in ANNEXURE XX to this report;
- Other current assets as restated as appearing in ANNEXURE XXI to this report;
- Revenue from operations as restated as appearing in ANNEXURE XXII to this report;
- Other income as restated as appearing in ANNEXURE XXIII to this report;
- Raw material Consumed as restated as appearing in ANNEXURE XXIV to this report;
- Change in inventories of finished goods as restated as appearing in ANNEXURE XXV to this report;
- Employees benefit expenses as restated as appearing in ANNEXURE XXVI to this report;
- Finance cost as restated as appearing in ANNEXURE XXVII to this report;
- Depreciation as restated as appearing in ANNEXURE XXVIII to this report;
- Other expenses as restated as appearing in ANNEXURE XXIX to this report;
- Contingent liabilities as restated as appearing in ANNEXURE XXX to this report;
- Related party transactions as restated as appearing in ANNEXURE XXXI to this report;
- Tax shelter as restated as appearing in ANNEXURE XXXII to this report;

- 33.Capitalisation statement as at March 31, 2023 as restated as appearing in ANNEXURE XXXIII to this report;
10.Statement of accounting ratios & additional Information as restated as appearing in ANNEXURE XXXIV to this report,
- 11.The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
- 12.We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 13.In our opinion, the above financial information contained in Annexure I to XXXIV of this report read with the respective significant accounting policies and notes to restated summary statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
- 14.Our report is intended solely for use of the Board of Directors for inclusion in the Draft Offer Document/ Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our 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 A D V & Associates
Chartered Accountants
Firm Registration no: 128045W

Sd/-

Ankit Rathi
Partner
Membership No.: 162441
UDIN: 23162441BGZGTJ1183
Place: Mumbai
Date: April 28, 2023

ANNEXURE – I

STATEMENT OF ASSETS AND LIABILITIES ASRESTATED

(₹ In Lakhs)

Particulars	Annexure No.	As at March 31,		
		2023	2022	2021
I. EQUITY AND LIABILITIES				
(1) Shareholder's Funds				
(a) Share Capital	V	768.00	200.00	200.00
(b) Reserves and Surplus	VI	1,591.90	1,114.78	653.38
(2) Share Application Money Pending Allotment		-	-	124.88
(3) Non-Current Liabilities				
(a) Long-Term Borrowings	VII	305.90	408.00	1,032.13
(b) Deferred Tax Liability(Net)	VIII		-10.07	-14.67
(c) Long term provision	IX	31.62	28.37	24.27
(d) Other long-term Liabilities		-	-	-
(4) Current Liabilities				
(a) Short Term Borrowing	X	406.03	565.79	414.21
(b) Trade Payables	XI	2,418.75	2,069.39	1,269.89
(c) Other Current Liabilities	XII	616.07	781.07	397.61
(d) Short-Term Provisions	XIII	352.53	280.26	188.13
Total		6,490.79	5,437.59	4,289.84
II.ASSETS				
(1) Non-Current Assets				
(a) Property, Plant & Equipments				
- Tangible Assets	XIV	1,315.23	1,157.33	1,189.93
- Intangible Assets		-	-	-
(b) Non-Current Investment	XV	36.15	81.85	118.20
(c) Deferred Tax Assets (net)	VIII	21.49	-	-
(d) Long-term loans and advances	XVI	446.53	436.14	424.24
(e) Other non-current assets		-	-	-
(2) Current Assets				
(a) Inventories	XVII	1,480.66	1,284.30	1,483.69
(b) Trade receivables	XVIII	1,719.80	1,565.53	427.24
(c) Cash and Cash Equivalents	XIX	845.65	582.58	151.65
(d) Short-Term Loans And Advances	XX	501.35	229.74	216.93
(e) Other Current Assets	XXI	123.93	100.13	277.95
Total		6,490.79	5,437.59	4,289.84

ANNEXURE – II

STATEMENT OF PROFIT AND LOSS AS RESTATED

(₹ In Lakhs)

Sr. No.	Particulars	Annexure No.	For the year ended March 31,		
			2023	2022	2021
A	<u>Revenue:</u>				
	Revenue From Operations	XXII	10,914.82	10,357.00	5,976.46
	Other Income	XXIII	234.85	220.02	88.73
	Total Revenue		11,149.68	10,577.02	6,065.19
	<u>Expenses:</u>				
B	Cost of Material Consumed	XXIV	8,197.24	8,149.31	4,926.61
	Changes in inventories of finished goods	XXV	-150.72	20.27	-179.57
	Employee benefit expenses	XXVI	666.43	576.06	378.28
	Financial Cost	XXVII	191.26	163.91	180.71
	Depreciation and amortization expenses	XXVIII	84.97	74.86	63.43
	Others Expenses	XXIX	1,154.76	981.42	543.69
	Total Expenses		10,143.95	9,965.82	5,913.15
C	Profit before exceptional, extraordinary items and tax		1,005.72	611.19	152.04
	Less: Exceptional Items		-	-	-
	Profit before extraordinary items and tax (A-B)		1,005.72	611.19	152.04
	Prior Period Items		-	-	-
	Extra ordinary items		-	-	-
D	Profit before tax		1,005.72	611.19	152.04
	Tax expense:				
	Current tax		252.04	145.19	26.88
	Deferred Tax		-11.42	4.60	10.63
	Profit/(Loss) for the period After Tax- PAT		765.11	461.40	114.53
			-	-	-
	No. of Shares		76,80,000	20,00,000	20,00,000
E	Earning per Equity Share: Basic/Diluted				
	(1) Basic		10.28	8.96	2.22
F	(2) Diluted		10.28	8.96	2.22

ANNEXURE –III

STATEMENT OF CASH FLOW AS RESTATED

(₹ In Lakhs)

Particulars	For the year ended March 31,		
	2023	2022	2021
Cash Flow From Operating Activities:			
Net Profit before tax as per Profit And Loss A/c	1,005.72	611.19	152.04
Adjustments for:			
Depreciation & Amortisation Expense	84.97	74.86	63.43
Interest Income	-50.35	-12.39	-15.84
Finance Cost	191.26	163.91	180.71
Loss on Sale of fixed assets	2.30	-	-
Previous years Adjustments	-	-	-
Operating Profit Before Working Capital Changes	1,233.91	837.57	380.34
Adjusted for (Increase)/ Decrease in:			
Short term provision	17.49	17.49	17.80
Trade Receivables	-154.27	-1,138.29	114.04
Inventories	-196.36	199.39	-3.77
Other current assets	-23.80	142.11	-31.85
Trade Payables	349.36	799.50	-427.21
Other Current Liabilities	-165.00	383.45	-40.43
Cash Generated From Operations	-172.58	403.65	-371.41
Appropriation of Profit	-	-	-
Net Income Tax paid/ refunded	197.26	34.84	36.02
Net Cash Flow from/(used in) Operating Activities: (A)	864.07	1,206.38	-27.08
Cash Flow From Investing Activities:			
Net (Purchases)/Sales of Fixed Assets (including capital work in progress)	-245.17	-42.26	-238.85
Interest Income	50.35	12.39	15.84
Net Increase/(Decrease) in long term loans and Advances	-10.39	-11.90	-9.85
Net Increase/(Decrease) in Current Investment	45.70	36.36	-
Net Cash Flow from/(used in) Investing Activities: (B)	-159.51	-5.41	-232.86
Cash Flow from Financing Activities:			
Net Increase/(Decrease) in Long Term Borrowings	-102.10	-624.13	282.03
Net Increase/(Decrease) in Long Term Provisions	3.26	4.10	4.65
Net Increase/(Decrease) in Other Long Term Liabilities	-	-	-
Net Increase/(Decrease) in Short Term Borrowing	-159.77	151.58	-219.00
Net (Increase)/Decrease in Short Term Advance	-271.61	-12.81	39.85
Net (Increase)/Decrease in Other non-current assets	-	-	-
Application Money Received / Refunded	-	-124.88	124.88
Proceeds from Issue of Shares	280.00	-	-
Interest on borrowings	-191.26	-163.91	-180.71
Net Cash Flow from/(used in) Financing Activities (C)	-441.49	-770.05	51.71
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	263.07	430.93	-208.24
Cash & Cash Equivalents As At Beginning of the Year	582.58	151.65	359.89
Cash & Cash Equivalents As At End of the Year	845.65	582.58	151.65

ANNEXURE – IV
SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL INFORMATION

COMPANY OVERVIEW

Hemant surgical Industries limited is a limited company, incorporated on March 27, 1989 and is engaged in the business of manufacturing, importing, assembly and marketing of medical equipments and disposables. The company is unlisted public limited company with its registered office in Mumbai, Maharashtra.

I. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation of Financial Statements:

The Restated Statement of Assets and Liabilities (Annexure I) of the company as at March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statements of Profit and Loss (Annexure II), the Restated Cash Flow Statement (Annexure III) for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 (hereinafter collectively referred to as “Restated Financial Information”) have been extracted by the management from the audited financial statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021, approved by the respective Board of Directors of the companies.

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (‘the Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act. The accounting policies adopted in the preparation of financial statements have been consistently applied. All assets and liabilities have been classified as current or non-current as per the company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time difference between the provision of services and realization of cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

B. Use of Estimates

The preparation of financial statements is in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialized.

C. ACCOUNTING CONVENTION

The Company follows the mercantile system of accounting, recognizing income and expenditure on accrual basis. The accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to specifically otherwise, are consistent with the generally accepted accounting principles.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

1. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Sales of goods are recognized on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

Income From Services

Revenue from services is recognized when services have been rendered and there should be no uncertainty regarding consideration and its ultimate collection.

Interest Income

Interest income is accrued on a time proportion basis, by reference to the principle outstanding and the effective interest rate applicable.

2. Property, Plant and Equipment

- a) Property, Plant and Equipment are stated as per Cost Model i.e., at cost less accumulated depreciation and impairment, if any;
- b) Costs directly attributable to acquisition are capitalized until the Property, Plant and Equipment are ready for use, as intended by the management;
- c) Subsequent expenditures relating to Property, Plant and Equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs & maintenance costs are recognized in the Statement of profit & Loss when incurred;
- d) The cost and related accumulated depreciated are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit or Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell;
- e) Depreciation on Tangible Assets in case of company is provided in such a manner so that the cost of asset (Net of realizable value) will be amortized over their estimated remaining useful life on SLM basis as per the useful life prescribed under Schedule II to the Companies Act 2013.
- f) Depreciation methods, useful lives, and residual values are reviewed periodically, including at each financial year end;

3. IMPAIRMENT

The Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

4. INVENTORIES

Inventories are valued after providing for obsolescence, as follows:

Raw Materials -Lower of cost and net realizable value. However, materials 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. Cost is determined on Weighted Average Cost basis.

5. RETIREMENT BENEFITS & OTHER EMPLOYEE BENEFITS

Defined-contribution plans:

All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

The Company's contribution to Provident Fund and Employees State Insurance Scheme is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis.

The Group has made provision for payment of Gratuity to its employees. This Provision is made as per the method prescribed under the Payment of Gratuity Act. The cost of providing gratuity under this plan is determined on the basis of actuarial valuation at year end. Under the Gratuity Fund Plan, the holding company contributes to a LIC administered Group Gratuity Fund on behalf of employees.

6. FOREIGN EXCHANGE TRANSACTIONS

Foreign-currency denominated monetary assets and liabilities if any are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from the transactions relating to purchase of current assets like Raw Material or other products, are included in the Statement of Profit and Loss. Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction.

7. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

8. BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Costs incurred in raising funds are amortized equally over the period for which the funds are acquired. All other borrowing costs are charged to profit and loss account.

9. INCOME TAX

The accounting treatment for the Income Tax in respect of the Company's income is based on the Accounting Standard on 'Accounting for Taxes on Income' (AS-22). The provision made for Income Tax in Accounts comprises both, the current tax and deferred tax. Provision for Current Tax is made on the assessable Income Tax rate applicable to the relevant assessment year after considering various deductions available under the Income Tax Act, 1961.

Deferred tax is recognised for all timing differences; being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. The carrying amount of deferred tax asset/liability is reviewed at each Balance Sheet date and consequential adjustments are carried out.

10. EARNINGS PER SHARE

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

11. PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the likely future outflow of economic benefits required to settle the obligation at the reporting date.

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

12. CASH & CASH EQUIVALENTS

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

13. SEGMENT REPORTING

Company is operating under a single segment.

14. EMPLOYEE BENEFITS

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

Details of Gratuity Expenses	2022-23	2021-22	2020-21
<u>Profit and loss account for the period</u>			
Current service cost	5.36	4.37	3.70
Interest on obligation	2.61	2.24	1.81
Expected return on plan assets	-	-	-
Net actuarial loss/(gain)	(3.72)	(1.52)	0.45
Recognized Past Service Cost-Vested	-	-	-
Loss (gain) on curtailments	-	-	-
Total included in 'Employee Benefit Expense'	4.25	5.10	5.96
prior year charge	-	-	-
Total Charge to P&L	4.25	5.10	5.96
<u>Reconciliation of defined benefit obligation</u>			
Opening Defined Benefit Obligation	36.06	30.96	25.00
Transfer in/(out) obligation	-	-	-
Current service cost	5.36	4.37	3.70
Interest cost	2.61	2.24	1.81
Actuarial loss (gain)	(3.72)	(1.52)	0.45
Past service cost	-	-	-
Benefits paid	-	-	-
prior year charge	-	-	-
Closing Defined Benefit Obligation	40.31	36.06	30.96
<u>Table of experience adjustments</u>			
Defined Benefit Obligation	40.31	36.06	30.96
Plan Assets	-	-	-
Surplus/(Deficit)	(40.31)	(36.06)	(30.96)
<u>Reconciliation of plan assets</u>			
Opening value of plan assets	-	-	-
Transfer in/(out) plan assets	-	-	-
Expenses deducted from the fund	-	-	-
Expected return	-	-	-
Actuarial gain/(loss)	-	-	-
Contributions by employer	-	-	-
Benefits paid	-	-	-
Closing value of plan assets	-	-	-
Details of Gratuity Expenses	2022-23	2021-22	2020-21
<u>Reconciliation of net defined benefit liability</u>			
Net opening provision in books of accounts	36.06	30.96	25.00
-Transfer in/(out) obligation	-	-	-
Transfer (in)/out plan assets	-	-	-
Employee Benefit Expense	4.25	5.10	5.96
Benefits paid by the Company	-	-	-
Contributions to plan assets	-	-	-
Closing provision in books of accounts	40.31	36.06	30.96
<u>Bifurcation of liability</u>			
Current Liability	8.69	7.69	6.70
Non-Current Liability	31.62	28.37	24.26
Net Liability	40.31	36.06	30.96
<u>Principle actuarial assumptions</u>			
Discount Rate	7.50%	7.25%	7.25%

Expected Return on Plan Assets	-	-	-
Salary Escalation Rate	5.00%	5.00 %	5.00 %
Withdrawal Rates	5.00%	5.00 %	5.00 %

I. NOTES TO RESTATED SUMMARY STATEMENTS:

1. **Contingent liabilities and commitments (to the extent not provided for)**

A disclosure for a contingent liability reported in the notes to restated financial restatements when there is a possible obligation that may, require an outflow of the Company's resources.

2. **Related Party Transactions**

Related party transactions are already reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure-XXXI of the enclosed financial statements.

3. **Director's Remuneration:**

(Rs. In lakhs)

Particulars	For the Year Ended		
	2022-23	2021-22	2020-21
Directors Remuneration	114.95	114.00	120.00
Total	114.95	114.00	120.00

4. **Auditors' Remuneration:**

(Rs. In Lakhs)

Particulars	For the Year Ended		
	2022-23	2021-22	2020-21
Statutory & Tax Audit fees	3.25	3.15	1.38
Total	3.25	3.15	1.38

5. Figures have been rearranged and regrouped wherever practicable and considered necessary.

6. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

7. The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.

8. **Realizations**

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

9. **Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

10. **Amounts in the financial statements**

Amounts in the financial statements are rounded off to nearest lacs. Figures in brackets indicate negative values.

11. **Impact of Audit Qualifications/Observations in Statutory Auditor's Report on Financial Statements**

There has been no audit qualifications/observations in Statutory Auditor's Report for F.Y. 2020-21, 2021-22, and 2022-23 which requires adjustments in restated financial statements.

12. **Amounts in the financial statements**

Amounts in the financial statements are rounded off to nearest lacs. Figures in brackets indicate negative values.

RECONCILIATION OF RESTATED PROFIT:

(In lakhs)

Adjustments for	For the Year Ended		
	2022-23	2021-22	2020-21
Net profit/(Loss) after Tax as per Audited	763.73	271.68	135.68

Adjustments for	For the Year Ended		
	2022-23	2021-22	2020-21
Profit & Loss Account			
Adjustments for:			
Short/excess Provision of tax	1.38	-77.19	-13.88
Deferred Tax	-	-4.60	-10.63
Depreciation	-	59.12	25.82
Other Expenses	-	-	-
Interest expenses	-	181.43	-16.49
Provision for Gratuity	-	30.96	-5.96
Net Profit/ (Loss) After Tax as Restated	765.11	461.40	114.53

1. The provision for gratuity has been done in all years covered for restatement as per Actuarial Valuation Reports and provided in the respective year in which such liability has arisen as per AS 15: Employee Benefits
2. The depreciation charged by the company has been restated to the extent of changes in depreciation due to changes in the estimate in useful life of an assets as prescribed in schedule II of Companies Act, 2013.
3. Due to changes in depreciation and gratuity provision the deferred tax component on the same has also undergone change.
4. Provision for Taxation has been adjusted for Items like Income Tax related to Earlier Years and Short Provision for Earlier Years and Mat Credit Availed.
5. Earlier interest on bank guarantee was not booked, now the same has been restated.

RECONCILIATION OF EQUITY AND RESERVES

Adjustments for	For the Year Ended		
	2022-23	2021-22	2020-21
Equity and Reserve as per Audited Balance sheet	2335.67	1,182.95	911.28
Adjustments for:			
Difference Due to Change in P&L	1.38	189.72	-21.14
Prior period Adjustments (Refer Note-1)	22.84	-74.67	-53.52
Equity and Reserve as per Re-stated Balance sheet	2359.90	1,298.01	836.61

Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years.

Adjustments having impact on Profit:

Note: 1

Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserve and Surplus due to the restated effect on the profit / (loss) of prior period.

To give Explanatory Notes regarding Adjustments

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of Income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial of the company for all the years and requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018

For A D V & Associates

Chartered Accountants

Firm Registration no: 128045W

Sd/-

Ankit Rathi

Partner

Membership No.: 162441

UDIN:23162441BGZGTJ1183

Place: Mumbai

Date: April 28, 2023

ANNEXURE-IV A

RECONCILIATION OF RESTATED PROFIT

(Rs In Lakhs)

Adjustments for	For the year ended March 31,		
	2023	2022	2021
Net Profit/(Loss) after Tax as per Audited Profit & Loss Account	763.73	271.68	135.68
Adjustments for:			
Short/excess Provision Of tax	1.38	-77.19	-13.88
Deferred Tax	-	-4.60	-10.63
Depreciation	-	59.12	25.82
Other Expenses	-	-	-
Interest expenses	-	181.43	-16.49
Provision for Gratuity	-	30.96	-5.96
Net Profit/ (Loss) After Tax as Restated	765.11	461.40	114.53

ANNEXURE-IV B

RECONCILIATION OF EQUITY AND RESERVES

(Rs In Lakhs)

Adjustments for	For the year ended March 31,		
	2023	2022	2021
Equity and Reserve as per Audited Balance sheet	2,335.67	1,182.95	911.28
Adjustments for:			
Difference Due to Change in P&L	1.38	189.72	-21.14
Prior period Adjustments	22.84	-57.89	-36.75
Equity and Reserve as per Re-stated Balance sheet	2,359.90	1,314.78	853.38

ANNEXURE – V

SHARE CAPITAL AS RESTATED

(₹ In Lakhs, Except no of share)

Particulars	As at March 31,		
	2023	2022	2021
EQUITY SHARE CAPITAL			
AUTHORISED			
1,05,00,000 Equity Shares of Rs.10 each (75,00,000 Equity Shares of Rs. 10 For F.Y. 2021-22 & 20,00,000 Equity Shares of Rs.10 each for F.Y. 2020-21)	1,050.00	750.00	200.00
	1,050.00	750.00	200.00
ISSUED, SUBSCRIBED AND PAID UP			
76,80,000 Equity Shares of Rs.10 each (20,00,000 Equity Shares of Rs.10 each for F.Y. 2019-20, 2020-21 & 2021-22)	768.00	200.00	200.00
	768.00	200.00	200.00

1. Terms/rights attached to equity shares:

i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. Reconciliation of number of shares outstanding at the end of the year

Particulars	As at March 31,		
	2023	2022	2021
Equity Shares at the beginning of the year	20,00,000	20,00,000	20,00,000

Particulars	As at March 31,		
	2023	2022	2021
Add: Right issued during the year	28,00,000	-	-
Add: Bonus shares issued during the year	28,80,000	-	-
TOTAL	76,80,000	20,00,000	20,00,000

Pursuant to sub division of shares vide special resolution dated January 3, 2023 the face value of equity shares changed from Rs. 100/- per share to Rs. 10/- per share and accordingly the number of shares at the end of March 31, 2022 and 2021 is 20,00,000.

3. Shareholders holding more than 5% of the aggregate shares of the company:

Particulars	As at March 31, 2023	
	No. of share	% of Holding
Shri Hanskumar Shamji Shah	35,26,400	45.92%
Shri Kaushik Hanskumar Shah	21,03,130	27.38%
Shri Hemant Praful Shah	17,34,070	22.58%
Total	73,63,600	95.88%

Particulars	As at March 31, 2022	
	No. of share	% of Holding
Shri Hanskumar Shamji Shah	12,56,700	62.84%
Shri Kaushik Hanskumar Shah	3,21,600	16.08%
Shri Hemant Praful Shah	1,50,450	7.52%
Total	17,28,750	86.44%

Particulars	As at 31 March 2021	
	No. of share	% of Holding
Shri Hanskumar Shamji Shah	12,56,700	62.84%
Shri Kaushik Hanskumar Shah	3,21,600	16.08%
Shri Hemant Praful Shah	1,50,450	7.52%
Total	17,28,750	86.44%

4. Change in the Shareholding of the Promoters:

Particulars	As at March 31, 2023		
	No. of share	% of Holding	Change of % During the year
Shri Hanskumar Shamji Shah	35,26,400	45.92%	-26.93%
Shri Kaushik Hanskumar Shah	21,03,130	27.38%	70.30%
Shri Hemant Praful Shah	17,34,070	22.58%	200.15%
Total	73,63,600	95.88%	325.95%

Particulars	As at March 31, 2022		
	No. of share	% of Holding	Change of % During the year
Shri Hanskumar Shamji Shah	12,56,700	62.84%	-
Shri Kaushik Hanskumar Shah	3,21,600	16.08%	-
Shri Hemant Praful Shah	1,50,450	7.52%	-
Total	17,28,750	86.44%	0.00%

Particulars	As at 31 March 2021		
	No. of share	% of Holding	Change of % During the year
Shri Hanskumar Shamji Shah	12,56,700	62.84%	-
Shri Kaushik Hanskumar Shah	3,21,600	16.08%	-
Shri Hemant Praful Shah	1,50,450	7.52%	-
Total	17,28,750	86.44%	0.00%

ANNEXURE – VI

RESERVE & SURPLUS AS RESTATED

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Surplus :-			

Particulars	As at March 31,		
	2023	2022	2021
<i>Opening Balance</i>	1,114.78	653.38	538.85
Add - Current Year profit	765.11	461.40	114.53
Less: Issue of Bonus shares	288.00	-	-
<i>Closing Balance</i>	1,591.90	1,114.78	653.38
TOTAL	1,591.90	1,114.78	653.38

ANNEXURE – VII

LONG TERM BORROWING AS RESTATED

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Secured			
Term Loan From Bank	305.90	408.00	1,028.52
Total	305.90	408.00	1,028.52
Unsecured			
From NBFC	-	-	3.62
Total	-	-	3.62
GRAND TOTAL	305.90	408.00	1,032.13

The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in annexure VII(A) and VII(B)

ANNEXURE – VII (A)

Secured Loans

Statement of Principal Terms of Secured & Unsecured Loans and Assets Charged as Security

(₹ In Lakhs)

Sr. No.	Name of Lender	Purpose	Sanctioned Amount	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Moratorium	31st March, 2023	31st March, 2022	31st March, 2021
1	HDFC Bank Ltd	Loan against Property	130.00	9.00%	As may be applicable to the bank	Rs. 1.65/- lakhs per month for 120 Months		-	93.43	103.41
2	HDFC Bank Ltd	Vehicle Loan	17.39	9.00%	Hypothecation of vehicle	Rs. 0.44/- lakhs per month for 48 Months		16.78	-	-
3	HDFC Bank Ltd	Vehicle Loan	40.02	6.90%	Hypothecation of vehicle	Rs. 0.79/- Lakhs per month for 60 Months		33.69	-	-
4	HDFC Bank Ltd	Vehicle Loan	8.75	9.00%	Hypothecation of vehicle	Rs. 0.18/- Lakhs per month for 60 Months		3.52	5.29	6.92
5	HDFC Bank Ltd	Vehicle Loan	10.00	8.91%	Hypothecation of vehicle	Rs. 0.25/- Lakhs per month for 47 Months		-	-	2.41
6	HDFC Bank Ltd	Vehicle Loan	40.00	7.75%	Hypothecation of vehicle	Rs.0.81/- Lakhs per month for 60 Months		-	3.95	13.75
7	HDFC Bank Ltd	For operating expenses	29.91	8.25%	Extension of charge over existing primary and collateral securities including mortgages created in favour of the Bank.	Rs. 0.94/- Lakhs per month for 48 Months	12 Month principal moratorium from date of disbursal	-	23.11	29.91
8	HDFC Bank Ltd	Vehicle Loan	17.67	7.80%	Hypothecation of	Rs.0.36/-		15.84	-	-

Sr. No.	Name of Lender	Purpose	Sanctioned Amount	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Moratorium	31st March, 2023	31st March, 2022	31st March, 2021
					vehicle	Lakhs per month for 60 Months				
9	ICICI Bank	Loan against property	130.00	8.30%	Refer Note 2	Rs. 0.90 /- Lakhs per month for 146 months		-	94.14	104.90
10	ICICI Bank	Working Capital Term Loan	51.11	8.25%	Extension of existing charge in favour of bank	36 months installment (Rs. 1.41/- lakhs + interest)	Moratorium on principal for a period of 12 months	-	41.17	51.11
11	ICICI Bank	Working Capital Term Loan	116.00	8.30%	Refer Note 2	Rs. 1.61/- Lakhs per month for 72 months		-	67.67	87.00
12	Punjab and Sind Bank	Term loan	362.00	11.30%	Plant & Machinery, Furniture Fixture and other project assets at Atagaon, Tal Shahpur	28 quaterly installment (Rs.12.93/- lakhs per quarter + interest)	6 Months	-	-	328.17
13	Punjab and Sind Bank	Vehicle Loan	8.37	9.10%	Hypothecation of vehicle	Rs 0.27/- lakhs per month for 36 Months		-	1.77	4.55
14	Punjab and Sind Bank	Vehicle Loan	13.63	7.50%	Hypothecation of vehicle	Rs 0.27/- lakhs per month for 60 Months		7.22	9.85	12.29
15	Punjab and Sind Bank	Working Capital Term Loan	158.67	7.50%	1.Extention of charge on existing securities in the name of borrower as well as cash flow the firm	Rs.4.94/- lakhs per month for 36 months		-	-	159.68

Sr. No.	Name of Lender	Purpose	Sanctioned Amount	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Moratorium	31st March, 2023	31st March, 2022	31st March, 2021
					2.Charge on the assets financed under the scheme to be created within a period of three months from the date of disbursal					
16	Standard Chartered Bank	Property Loan	91.45	10.04%	Refer Note 1	60 monthly installment (Rs. 1.54 principal + interest)		77.50	-	-
17	Standard Chartered Bank	Emergency credit line term loan	36.91	9.25%	Refer Note 1	26 monthly Installments (Rs 1.54 lakhs Principal + Interest)		23.07	-	-
18	Standard Chartered Bank	Term loan	62.83	10.04%	Refer Note 1	23 Monthly installments (Rs 2.73/- lakhs + Interest)		40.99	-	-
19	Standard Chartered Bank	Working Capital Term Loan	25.57	9.25%	Refer Note 1	26 Monthky Installments (Rs 1.07 lakhs principal + Interest)		17.05	-	-
20	Standard Chartered Bank	Property Loan	109.56	9.58%	Refer Note 1	60 monthly Insallments (Rs 1.89/- Lakhs principal + Interest)		94.45	-	-
21	Standard Chartered Bank	Property Loan	88.25	9.58%	Refer Note 1	60 Monthly Installments		77.41	-	-

Sr. No.	Name of Lender	Purpose	Sanctioned Amount	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Moratorium	31st March, 2023	31st March, 2022	31st March, 2021
						(Rs 1.54 Lakhs principal + Interst)				
22	Standard Chartered Bank	Working Capital Term Loan	19.15	9.25%	Refer Note 1	22 Monthly Installments (Rs 0.91 lakhs principal + interest)		12.77	-	-
23	Standard Chartered Bank	Working Capital	30.73	8.25%	Guarntee of : 1. Hanskumar Shmaji Shah 2. Kaushik Hanskumar Shah 3. Hemant Praful Shah	Rs 0.97 /- Lakhs per month for 48 Months	12 Month principal moratorium from date of disbursal	-	28.45	30.73
24	Standard Chartered Bank	Balance transfer	181.00	8.90%	Flat No. 1405 & 1406, 14th Floor, Shobha suman, Pandit Madan Mohan Malviya Marg, Asha Nagar, Mulund West, Mumbai, 400080	Rs 2.28/- Lakhs per month for 120 Months		-	114.58	139.64
25	Small Industrial Development Bank Of India (SIDBI)	Term loan	50.00	5.00%	First charge by way of hypothecation in favour of SIDBI of all the Borrowers movable,including the movable, plant,machinery, machinery spares, tools & accessories, acquired/to be acquired under the project/scheme	Rs 0.93/- Lakhs per month for 7 Months & Rs 0.89/- Lakhs per month for 47 Months	6 Month moratorium	21.40	32.12	42.86
26	TATA AIG General	Loan Against	30.00	7.90% to 11%	Charge on Insurance	-		28.51	15.41	15.41

Sr. No.	Name of Lender	Purpose	Sanctioned Amount	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Moratorium	31st March, 2023	31st March, 2022	31st March, 2021
	Insurance Company	Insurance Policy			against policy no:- C000918574 in the name of Shah Hanskumar Shamji					
27	Standard Chartered Bank	Cash Credit	250.00	LIBOR +1.7%	Refer Note 4	Repayable on demand		241.73	-	-
28	ICICI Bank	Overdraft	25.00	9.05%	1. Immovable fixed assets: 815, Lodha Supremus, D wing, Wagle Estate, Thane (W) Maharashtra 400604 2. Personal Guarantee: a. Hanskumar Shamji Shah b. Kaushik Hanskumar Shah	Repayable on demand		-	8.30	24.98
29	Punjab and Sind Bank	Cash Credit	225.00	9.70%	Refer Note 3	Repayable on demand		-	273.54	284.89
					TOTAL			711.93	812.77	1,442.60

ANNEXURE VII(B)

**Unsecured Loans
From Bank & NBFC**

Sr. No.	Name of Lender	Purpose	Sanctioned Amount	Rate of Interest	Primary & Collateral Security	Re-Payment Schedule	Moratorium	30th Sept, 2022	31st March, 2022	31st March, 2021
1	Bajaj Finance Limited	business loan	35.47	18.50%	Unsecured	Rs 1.29/- Lakhs per month for 36 months		-	-	3.62
					TOTAL			-	-	3.62

FROM DIRECTORS & SHAREHOLDER

Sr. No.	Name of Lender	Purpose	Rate of Interest	Re-Payment Schedule	31st March, 2023	31st March, 2022	31st March, 2021	31st March, 2020
1	Hankumar Shamji Shah	Business Loan	0.00%	Repayable on demand	-	126.57	-	-
2	Hemant Shah	Business Loan	0.00%	Repayable on demand	-	13.64	-	-
3	Kaushik Shah	Business Loan	0.00%	Repayable on demand	-	15.68	-	-
4	Leena Shah	Business Loan	0.00%	Repayable on demand	-	5.15	-	-
				TOTAL	-	161.02	-	-

Note 1**Collateral Security: -****First Pari-Pasu Charge with Yes Bank by Way of Hypothecation over:**

1. Current Assets (Existing & Future)
2. Movable Fixed Assets of the Company (Present & Future)

Property Mortgage: -**First Pari-Pasu Charge with Yes Bank over land & Building:**

1. Survey No. 28/0(Old Survey no 19 Hissa no 1) , Survey No. 29/1 (Old survey no.187/1/1) nr Atgaon Railway Station, Wada-Shahpur Road, Atgoan, Thane, Shahpur, Maharashtra
2. Plot No. 21 Achhad Industrial Estate, Nr. Achhad Boarder Check Post, N.H. 48, Achhad village, Talasari, Thane, Maharashtra
3. Flat No. 1405 & 1406, 14th Floor, Shobha suman, Pandit Madan Mohan Malviya Marg, Asha Nagar, Mulund West, Mumbai, 400080
4. Office no. 502, 5th Floor, ecstasy Business Park, City of joy, J.S.D. Road Mulund (W), Mumbai, Maharashtra 400080
5. Unit No. 815, 8th Floor, Lodha Supremus II Plot No. F, F-4/1, MIDC Wagle Industrial Estate Thane (W) Maharashtra 400604
6. Jumboshed Godown No. 1 & 2, 3-A, Building No.189, Indian Corporation Complex, Mankoli Naka, Village Gundvali, Taluka Bhiwandi, Thane-421302
7. Unit No. 307, 3rd Floor, B Wing , Prateek Industrial Estate Goregoan Mulund Link Road, Mumbai 400080
8. Gala No. B8, Basement, Prateek Industrial Estate, Goregaon Mulund Link Road, Mumbai 400080

Personal Guarantee

1. Hanskumar Shamji Shah
2. Hemant Praful Shah
3. Kaushik Hanshkumar Shah
4. Leena Hanskumar Shah

Note 2**Property Mortgage:-**

Mortgage of the following immoveable properties owned by the Borrower, its Directors/ Promoters/ Guarantors:

1. Commercial property – 815, Lodha Supremus, Wing D, Wagle Estate, Thane 400604 – Exclusive Charge
2. Hypothecation of all moveable assets (fixed and current assets) of the Borrower, including but not limited to:
 - A) Plant and Machinerics funded out of Term Loan II – Exclusive Charge
3. Unconditional and Irrevocable personal/corporate guarantee of:
 - A) Hanskumar Shamji Shah
 - B) Kaushik Hanskumar Shah

Note 3**Collateral Security:-**

Exclusive first hypothecation charge on entire stocks & assignment of entire books debts upto 90 Days (for Govt Dept 180 days).

Property Mortgage:-

1. Gala No. 307, 3rd Floor, Prateek Industrial estate, Goregaon Mulund Link Road-400080
2. Gala No. B8, Basement, Prateek Industrial Estate, Goregaon Mulund Link Road, Mumbai 400080
3. Land & Building Plot No. 21 Achhad Industrial Estate, tal. Talasari, Thane, Maharashtra
4. Land & Building at Survey No. 28/0 (Old survey no. 19 hissa no. 1) survey no. 29/1, (old survey no 187/1/1) at Atgaon, Tal Shahpur, Thane 421601
5. Godwon No. 01, Building No. 188, Indian corporation complex, Bhiwandi.
6. Non- Agricultural Land Gut No.231, Gram Panchayat Mhaswal, Palghar

Note 4**Collateral Security:-**

1. First charge on Stocks & Book debts of the company
2. Exclusive charge on following properties:
 - (a) Gala No. 307, 3rd floor, Prateek Industrial Estate, Mulund W, Mumbai
 - (b) Gala No. B-8, Basement Prateek Indl Estate, Mulund W Mumbai
 - (c) Land & Bldg. Plot No. 21, Acchad Indl Estate, Taluka, Talasari, Dist. Thane
 - (d) Land & Bldg. at Survey No. 28/0S. No. 29/1, at Atgaon, Taluka. Shahpur, Dist. Thane
 - (e) Godown No.01, Bldh No. 188, Indian Corporation Complex, Bhiwandi
 - (f) (Flat No. 1405 & 1406, Shobha SumanBldg. P &T Colony, P K Road, Mulund West, Mumbai-400060

Personal Guarantee

1. Hanskumar Shamji Shah
2. Kaushik hanskumar Shah

**ANNEXURE - VIII
DEFERRED TAX LIABILITIES AS RESTATED**

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Deferred Tax Liabilities			
(DTA) / DTL on Timing Difference in Depreciation as per Companies Act and Income Tax Act.	-6.20	10.04	16.47
(DTA) / DTL on account of gratuity provision	-1.07	-1.28	-1.55
(DTA) / DTL on account of Interest Provision	-4.15	-4.15	-4.29
Add: Opening Balance	-10.07	-14.67	-25.30
TOTAL	-21.49	-10.07	-14.67

**ANNEXURE - IX
LONG TERM PROVISIONS AS RESTATED**

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Provision for Employee Benefits			
Provision for Gratuity	31.62	28.37	24.27
TOTAL	31.62	28.37	24.27

**ANNEXURE - X
SHORT TERM BORROWING AS RESTATED**

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Secured Loan			
CC/OD Loan from Bank	241.74	281.84	309.87
Current Maturities of long term borrowings	164.29	122.93	104.34
Unsecured Loan			
From director and share holder	-	161.02	-
Total	406.03	565.79	414.21

The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in annexure VII(A) and VII(B)

**ANNEXURE - XI
TRADE PAYABLES AS RESTATED**

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
For Micro, small & medium enterprises	217.96	230.99	249.83
For Other	2,200.79	1,838.40	1,020.06
TOTAL	2,418.75	2,069.39	1,269.89

Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.

For Trade Payable Aging see Annexure XI(A)

**ANNEXURE: XI(A)
AGEING ANALYSIS OF TRADE PAYABLES AS RESTATED**

(₹ In Lakhs)

Sr. No	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
	As at 31st March, 2023					
1	MSME	212.06	1.62	3.00	1.26	217.96
2	Others	2,193.99	-	-	6.80	2,200.79
						2,418.75
	As at 31st March, 2022					
1	MSME	222.63	2.23	6.12	-	230.99
2	Others	1,830.83	0.77	6.80	-	1,838.40
						2,069.39
	As at 31st March, 2021					
1	MSME	218.79	23.72	6.21	1.11	249.83
2	Others	1,013.11	6.95	-	-	1,020.06
						1,269.89

**ANNEXURE - XII
OTHER CURRENT LIABILITIES AS RESTATED**

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Advance Received from Customers	327.81	527.30	323.02
Statutory Liabilities	4.43	18.52	19.19
Payable for Expenses/capital Goods	263.71	210.53	31.33
Security Deposits	20.13	24.73	24.07
	616.07	781.07	397.61

**ANNEXURE - XIII
SHORT TERM PROVISION AS RESTATED**

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Provisions :			
Provision for Gratuity	8.69	7.69	6.70
Interest Provision on Bank Guarantee	214.42	197.92	181.43
Income Tax Provisions (Net of Advance Tax)	129.42	74.64	-
Closing Balance	352.53	280.26	188.13

ANNEXURE XIV
PROPERTY, PLANT & EQUIPMENTS AS RESTATED

2020-21

Property, Plant & Equipment

(Rs . In Lakhs)

Sr No.	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		As At 01-04-2020	Addition	Deduction during the year	As At 31-03-2021	Upto 31-03-2020	For the Year	Sold during the year	Upto 31-03-2021	As At 31-03-2021	As At 31-03-2020
	Tangible Assets										
1	Factory Building	487.64	-	-	487.64	43.86	7.72	-	51.58	436.05	443.77
2	Plant And Machinery	580.32	211.39	1.23	790.48	213.45	37.18	-	250.64	539.84	366.86
3	Furniture And Fixture	48.58	8.58	-	57.15	15.03	4.53	-	19.56	37.60	33.55
4	Vehicles (Cars)	83.50	16.02	1.53	97.99	23.54	10.87	-	34.41	63.57	59.95
5	Office Equipments	38.31	4.06	-	42.36	32.94	1.53	-	34.47	7.89	5.36
6	Computers	10.72	1.56	-	12.28	6.83	1.59	-	8.42	3.86	3.89
7	Land	101.11	-	-	101.11	-	-	-	-	101.11	101.11
	TOTAL	1,350.17	241.60	2.76	1,589.01	335.66	63.43	-	399.09	1,189.93	1,014.51

2021-22

Property, Plant & Equipment

(Rs . In Lakhs)

Sr No.	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		As At 31-03-2021	Addition	Deduction during the year	As At 31-03-2022	Upto 31-03-2021	For the Year	Sold during the year	Upto 31-03-2022	As At 31-03-2022	As At 31-03-2021
	Tangible Assets										
1	Factory Building	487.64	-		487.64	51.58	7.72	-	59.30	428.33	436.05
2	Plant And Machinery	790.48	30.53		821.01	250.64	43.62	-	294.26	526.75	539.84
3	Furniture And Fixture	57.15	2.10		59.26	19.56	5.02	-	24.58	34.68	37.60
4	Vehicles (Cars)	97.99	-		97.99	34.41	13.01	-	47.43	50.56	63.57
5	Office Equipments	42.36	3.44		45.81	34.47	2.74	-	37.21	8.60	7.89
6	Computers	12.28	6.18		18.46	8.42	2.75	-	11.17	7.29	3.86
7	Land	101.11	-		101.11	-	-	-	-	101.11	101.11
	TOTAL	1,589.01	42.26	-	1,631.27	399.09	74.86	-	473.94	1,157.33	1,189.93

2022-23

Property, Plant & Equipment

(Rs . In Lakhs)

Sr No.	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		As At 31-03-2022	Addition	Deduction during the year	As At 31-03-2023	Upto 31-03-2022	For the Year	Sold during the year	Upto 31-03-2023	As At 31-03-2023	As At 31-03-2022
	<u>Tangible Assets</u>										
1	Factory Building	487.64	49.00	-	536.64	59.30	8.11	-	67.41	469.22	428.33
2	Plant And Machinery	821.01	114.99	-	936.00	294.26	46.18	-	340.44	595.56	526.75
3	Furniture And Fixture	59.26	5.46	-	64.71	24.58	5.49	-	30.07	34.65	34.68
4	Vehicles (Cars)	97.99	71.41	14.73	154.67	47.43	18.65	7.89	58.19	96.48	50.56
5	Office Equipments	45.81	3.30	0.35	48.76	37.21	3.18	-	40.39	8.36	8.60
6	Computers	18.46	5.91	-	24.38	11.17	3.36	-	14.53	9.84	7.29
7	Land	101.11	-	-	101.11	-	-	-	-	101.11	101.11
	TOTAL	1,631.27	250.07	15.08	1,866.26	473.94	84.97	7.89	551.03	1,315.23	1,157.33

**ANNEXURE - XV
NON CURRENT INVESTMENTS**

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Bank Deposits with Maturity more than 12 months	35.50	81.20	117.55
Gold Bond	0.65	0.65	0.65
TOTAL	36.15	81.85	118.20

**ANNEXURE - XVI
LONG TERM LOANS & ADVANCES**

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Advance To Custom Authorities	356.03	356.03	356.03
Security Deposits	90.50	80.11	68.22
TOTAL	446.53	436.14	424.24

**ANNEXURE - XVII
INVENTORIES AS RESTATED**

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Inventories			
Raw Materials	281.09	235.44	414.56
Finished Goods	1,199.58	1,048.86	1,069.13
TOTAL	1,480.66	1,284.30	1,483.69

**ANNEXURE - XVIII
TRADE RECEIVABLES AS RESTATED**

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Outstanding for a period more than 6 months			
Unsecured, considered good	290.26	96.58	327.86
Outstanding for a period less than 6 months			
Others - unsecured, considered good	1,429.55	1,468.95	99.38
TOTAL	1,719.80	1,565.53	427.24

For Trade Receivable Aging see annexure XVIII(A)

**ANNEXURE – XVIII(A)
AGEING ANALYSIS OF TRADE RECEIVABLES AS RESTATED**

(Rs. in Lakhs)

Sr. No	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 Month	6 Month to 1 Year	1 to 2 years	2 to 3 years	More than 3 years	
	As at 31st March, 2023						
1	Undisputed Trade Receivables- considered good	1,429.55	166.14	123.68	0.43	-	1,719.80
							1,719.80
	As at 31st March, 2022						
1	Undisputed Trade Receivables- considered good	1,480.04	75.05	7.80	1.69	0.95	1,565.53
							1,565.53
	As at 31st March, 2021						
1	Undisputed Trade Receivables- considered good	327.86	27.45	36.37	14.42	21.14	427.24
							427.24

**ANNEXURE – XIX
CASH & CASH EQUIVALENTS AS RESTATED**

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Cash on Hand	4.88	4.80	3.83
Bank Balance:			
In current Account	78.22	233.71	33.95
Deposits with banks having maturity less than 3 months	278.38	192.00	51.67
FD With Bank having maturity more than 3 months but less than 12 months	484.16	152.06	62.20
Total	845.65	582.58	151.65
*Notes:- Out of Above Fixed Deposit, Fixed Deposit Lien against Margin money	688.97	343.56	113.87

**ANNEXURE - XX
SHORT TERM LOANS & ADVANCES AS RESTATED**

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Advances to Suppliers	96.50	54.78	107.77
Advances to Others	347.64	45.00	19.50
Advances - staff	57.21	129.95	89.66
TOTAL	501.35	229.74	216.93

**ANNEXURE - XXI
OTHER CURRENT ASSETS AS RESTATED**

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Income Tax Assets (Net)	-	-	35.71
Balance with Government Authorities	123.93	100.13	242.24
TOTAL	123.93	100.13	277.95

**ANNEXURE – XXII
REVENUE FROM OPERATIONS AS RESTATED**

(₹ In Lakhs)

Particulars	For the year ended March 31,		
	2023	2022	2021
Sales	10,903.57	10,335.00	5,955.50
Other Operating Revenue	11.25	22.00	20.95
Total	10,914.82	10,357.00	5,976.46

**ANNEXURE – XXIII
OTHER INCOME AS RESTATED**

(₹ In Lakhs)

Particulars	For the year ended March 31,		
	2023	2022	2021
Other Non Operating Income			
Rent	28.69	26.05	26.42
Interest Income on FD	50.35	12.39	15.84
Other Income	8.42	6.13	1.13
Insurance Claim	-	126.36	45.35
Exchange Fluctuation Gain	147.39	49.08	-
Total	234.85	220.02	88.73

ANNEXURE – XXIV

COST OF RAW MATERIAL CONSUMED AS RESTATED

(₹ In Lakhs)

Particulars	For the year ended March 31,		
	2023	2022	2021
Opening stock	235.44	414.56	590.36
Add: Prurchase of Raw & Packing Material	8,242.89	7,970.19	4,750.80
	8,478.32	8,384.75	5,341.17
Less closing stock (Raw material)	281.09	235.44	414.56
Cost of Raw Material Consumed	8,197.24	8,149.31	4,926.61
Total	8,197.24	8,149.31	4,926.61

ANNEXURE – XXV

CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ In Lakhs)

Particulars	For the year ended March 31,		
	2023	2022	2021
Opening Stock : Finished Goods	1,048.86	1,069.13	889.56
Sub Total	1,048.86	1,069.13	889.56
Less: Closing Stock: Finished Goods	1,199.58	1,048.86	1,069.13
Sub Total	1,199.58	1,048.86	1,069.13
	-150.72	20.27	-179.57

ANNEXURE – XXVI

EMPLOYEE BENEFITS EXPENSE AS RESTATED

(₹ In Lakhs)

Particulars	For the year ended March 31,		
	2023	2022	2021
Salaries, Wages & Bonus	511.03	428.05	235.15
Contribution to PF & Other Funds	12.72	10.38	8.14
Gratuity Expense	4.25	5.10	5.96
Director Remuneration	114.95	114.00	120.00
Staff Welfare Expenses	23.48	18.53	9.03
Total	666.43	576.06	378.28

ANNEXURE – XXVII

FINANCE COST AS RESTATED

(₹ In Lakhs)

Particulars	For the year ended March 31,		
	2023	2022	2021
Interest Expense	161.05	160.79	180.13
Bank Charges including processing fees	30.22	3.12	0.59
Total	191.26	163.91	180.71

ANNEXURE – XXVIII

DEPRECIATION AS RESTATED

(₹ In Lakhs)

Particulars	For the year ended March 31,		
	2023	2022	2021
Depreciation as per Note	84.97	74.86	63.43
Total	84.97	74.86	63.43

ANNEXURE – XXIX

OTHER EXPENSES AS RESTATED

(₹ In Lakhs)

Particulars	For the year ended March 31,		
	2023	2022	2021
Manufacturing Exp			
Power & Fuel	67.01	53.19	50.53
Factory Rent	96.18	90.63	83.83
Other Manufacture Expense	11.91	11.37	7.79
Exchange Flactuation Loss	-	-	45.30
Administration Expenses			
Advertisement	0.88	3.20	2.69
Audit Fees	3.25	3.15	1.38
Bad Debts	2.78	94.02	-
Business promotion	98.02	16.93	16.09
Commission	16.30	1.90	0.21
Courior Charges	7.29	9.12	5.45
Dialysis Charges	0.39	8.64	2.41
Discounts	14.28	226.41	16.87
Donations and contributions	8.59	5.63	2.46
Electricity Expenses	1.82	1.70	1.41
GST reversal	10.70	29.37	-
Insurance	65.92	43.09	27.07
Interst on TDS and Income tax	7.60		
Legal & Professional	168.61	38.99	30.90
Licence Renewal fees	7.08	1.93	3.03
MMRDA Charges	29.94	-	-
Other Admn Exp	7.55	29.44	9.44
Printing and stationary	7.25	3.58	1.47
Property Tax	1.40		
ROC charges	0.23		
Security Charges	0.60	2.03	1.57
Telephone & Internet Charges	4.79	4.13	3.52
Tender Charges	6.02	8.48	23.34
Travelling and Conveyance	37.72	16.81	10.58
Vehicle Running Expenses	47.31	31.68	3.84
Selling and Marketing Exp.			
Freight and forwarding	62.09	62.72	56.14
Marketing Expense	250.02	109.98	90.86
Repairs & Maintenance			
Repairs and maintenance - buildings	50.13	37.34	22.09

Repairs and maintenance - Machinery	29.85	27.18	14.16
Repairs and maintenance - Others	28.98	8.77	3.60
Loss on sale of fixed assets	2.30	-	-
Total	1,154.76	981.42	543.69

ANNEXURE XXX

CONTINGENT LIABILITIES AS RESTATED

(₹ In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
In Respect of legal matter against Custom authorities	359.32	356.03	356.03
In respect of Bank Guarantee given to custom Authorities	91.63	91.63	91.63
In respect of Bank Guarantee given for tender and other purpose	52.92	2.53	16.97
In respect of TDS & Income Tax matters	58.85	52.04	37.64
Other Pending Litigation	14.70	14.70	14.70
T O T A L	577.42	516.92	516.96

ANNEXURE -XXXI

Related party disclosures

- (i) **Names of the related party and nature of relationship where control/significant influence exists**
'Key management personnel (KMP) and their close members of family

Name of the related party	Nature of relationship
Key Management Personnel	
Hanskumar Shamji Shah	Chairman and Managing Director
Kaushik Hanskumar Shah	Whole Time Director & CFO
Hemant Praful Shah	Whole Time Director
Nehal Karelia	<i>Non-Executive Director</i>
Relatives of KMP	
Neha Hanskumar Shah	Relative
Neha Hemant Shah	Relative
Leena Hanskumar Shah	Relative
Mansi Shah	Relative

- (ii) **Entity controlled or jointly controlled by a person identified in (i) above**

Ikigai Services Private Limited
Lifesenz Cancer Research Labs Private Limited
Diaso Diagnostics LLP

(iii) Details of transactions with related parties and balances

(₹ In Lakhs)

Name	Relationship	Nature of transaction	31 March 2023	31 March 2022	31 March 2021
			Amount of transaction during the year	Amount of transaction during the year	Amount of transaction during the year
Hanskumar Shamji Shah	Chairman and Managing Director	Remuneration	30.00	30.00	36.00
		Loans & Advance Received	285.43	233.02	63.19
		Loans & Advance Repaid	158.87	80.06	38.04
		Closing Balance Receivable/(Payable)	-	-126.57	26.40
Kaushik Hanskumar Shah	Whole Time Director & CFO	Remuneration	42.00	42.00	42.00
		Loans & Advance Received	28.11	113.84	0.00
		Loans & Advance Repaid	12.44	91.91	6.25
		Closing Balance Receivable/(Payable)	-	-15.68	6.25
Hemant Praful Shah	Whole Time Director	Remuneration	42.00	42.00	42.00
		Loans & Advance Received	32.86	128.44	8.72
		Loans & Advance Repaid	19.22	110.93	12.42
		Rent Paid	1.80	1.80	1.80
		Closing Balance Receivable/(Payable)	0.00	-13.64	3.88
Neha Hanskumar Shah	Relative	Loans & Advance Received	45.26	28.50	-
		Loans & Advance Repaid	107.68	69.42	21.50
		Salary	30.00	30.00	24.60
		Closing Balance Receivable/(Payable)	-	62.42	21.50
Neha Hemant Shah	Relative	Loans & Advance Received	55.33	43.41	8.15
		Loans & Advance Repaid	57.92	53.15	9.45
		Salary	11.25	9.00	9.00
		Closing Balance Receivable/(Payable)	16.60	19.19	9.45
Leena Hanskumar Shah	Relative	Loans & Advance Received	9.15	27.60	-
		Loans & Advance Repaid	4.00	22.45	-
		Salary	4.50	-	-
		Rent Paid	1.80	1.80	1.80
		Closing Balance	0.00	-5.15	-

Name	Relationship	Nature of transaction	31 March 2023	31 March 2022	31 March 2021
			Amount of transaction during the year	Amount of transaction during the year	Amount of transaction during the year
		Receivable/(Payable)			
Mansi Shah	Relative	Salary	11.25	9.00	15.50
		Loans & Advance Received	21.96	29.61	17.74
		Loans & Advance Repaid	29.56	32.60	9.44
		Closing Balance Receivable/(Payable)	-	7.60	4.61
Nehal Karelia	Non-Executive Director	Remuneration	0.95	-	-
Ikigai Services Private Limited	Entity controlled or jointly controlled by Director/Directors	Loan & Advances given	8.29	2.75	-
		Closing Balance Receivable/(Payable)	11.04	2.75	-
Lifesenz Cancer Research Labs Private Limited	Entity controlled or jointly controlled by Director/Directors	Rent Received	2.40	-	-
		Service Purchased	56.64	-	-
		Loans & Advances Given	333.35	-	-
		Loans & Advances Repaid	4.10	-	-
		Closing Balance Receivable/(Payable)	331.37	-	-
Diaso Diagnostics LLP	Entity controlled or jointly controlled by Director/Directors	Purchase	4.88	-	-
		Loan & Advances given	-	25.75	-
		Loans & Advances Repaid	23.00	-	-
		Closing Balance Receivable/(Payable)	4.38	32.25	6.50

ANNEXURE –XXXII

STATEMENT OF TAX SHELTERS

(₹ In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Restated Profit before tax (A)	1,005.72	611.19	152.04
Tax Rate (%)	25.17%	25.17%	26.00%
MAT Rate	15.60%	15.60%	16.69%
Adjustments :			
Donation	-	5.63	2.46
Provident Fund	-	1.52	4.90
Depreciation as per CA act, 2013	84.97	74.86	63.43
Interest on Late payment of Income tax & TDS	7.60	-	-
Total Permanent Differences(B)	92.57	82.01	70.79
Timing Differences (C)			
Interest Expense Disallowed u/s 43(B)	-16.49	-16.49	-16.49
Amt Disallowed during PY and allowed during CY	-	-	-
Gratuity	4.25	5.10	5.96
Depreciation as per Income Tax act	67.52	119.89	121.12
Total Timing Differences (C)	55.28	108.49	110.59
Income consider in House property Head (D)	28.69	26.05	26.39
Income consider in Other Income (E)	-	12.39	16.18
Net Adjustments F = (B+C+D+E)	-74.74	-64.93	-82.37
	-	-	-
Income From House Property			
Rent (Thane)	28.69	26.05	26.39
Deduction u/s 24(a)	-8.61	-7.81	-7.92
	20.08	18.23	18.47
Income From Other Source			
Interest Received on FDR	50.35	12.39	15.96
Interest on Income Tax Refund	-	-	0.21
Net	70.44	30.62	34.44
Gross Total Income	1,001.42	576.89	104.11
Less: Deduction u/s 80 G	-	-	0.73
Taxable Income/(Loss) (A+D)	1,001.42	576.89	103.38
Restated Profit for The Purpose of MAT	1,005.72	611.19	152.04
Less: Adjustment related to Depreciation	-	-	-
Add: Amounts Written Back	-	-	-
Taxable Income/(Loss) as per MAT	1,005.72	611.19	152.04
Income Tax as returned/computed	252.04	145.19	26.88
Tax paid as per normal or MAT	Income Tax	Income Tax	Income Tax

ANNEXURE –XXXIII

CAPITALISATION STATEMENT

(₹ In Lakhs)

Particulars	Pre Issue	Post Issue*
Borrowings		
Short term debt (A)	406.03	406.03
Long Term Debt (B)	305.90	305.90
Total debts (C)	711.92	711.92
Shareholders' funds		
Equity share capital	768.00	1044.00
Reserve and surplus - as restated	1,591.90	3799.90
Total shareholders' funds	2,359.90	4843.90
Long term debt / shareholders funds	0.13	0.06
Total debt / shareholders funds	0.30	0.15

* The corresponding post issue figures are based on Auditor's Certificate dated May 30, 2023

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. Bonus Issue of 2,88,000 Equity Shares in the ratio of 3 · S has been allotted held in the Board Meeting held on December 21, 2022.
4. 27,60,000 Equity Shares to be allotted in the Initial Public Offer in terms of Red Herring Prospectus dated May 16, 2023.

ANNEXURE: XXXIV (A)**RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS**

Particulars	Year ended 31.03.2023	Year ended 31.03.2022	Year ended 31.03.2021
EBITDA	1,016.89	626.82	306.86
Net Profit as Restated	765.11	461.40	114.53
Net Worth	2,359.90	1,314.78	853.38
Return on Net worth (%)	32.42%	35.09%	13.42%
Equity Share at the end of year (in Nos.) (Face Value Rs. 10)	76,80,000	20,00,000	20,00,000
Number of Equity Share outstanding as on the End of Year*	76,80,000	20,00,000	20,00,000
Weighted No. of Equity Shares (Considering bonus in all previous years)*	74,44,322	51,48,293	51,48,293
Basic and Diluted Earnings per Equity Share (Considering bonus in all previous years)	10.28	8.96	2.22
Net Asset Value/Book Value per Equity share (Based on no of share at the end of year)	30.73	65.74	42.67
Net Asset Value/Book Value per Equity share (Considering bonus in all previous years)	31.70	25.54	16.58

Pursuant to sub division of shares vide special resolution dated January 3, 2023 the face value of equity shares changed from Rs. 100/- per share to Rs. 10/- per share and accordingly the number of shares at the end of March 31, 2022 and 2020 is 20,00,000.

Note:

- 1) The ratios have been computed as below:
 - (a) Basic earnings per share (Rs.) :- Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year.
 - (b) Diluted earnings per share (Rs.) :- Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year
 - (c) Return on net worth (%) :- Net profit after tax (as restated) / Net worth at the end of the period or year.
 - (d) Net assets value per share :- Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year.
- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year. Further while computing weighted average number of equity shares for the three financial years, the bonus issue of equity shares allotted in the ratio of 3:5 to the shareholders, through Board Meeting dated December 21, 2022 has been considered.
- 3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- 4) The figures disclosed above are based on the restated summary statements of the Company.
- 5) EBITDA has been calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

ANNEXURE: XXXIV (B)

RESTATED STATEMENT OF OTHER ACCOUNTING RATIOS & ADDITIONAL INFORMATION

A. Accounting Ratios

(Rs. in Lakhs Except Per Share Data)

Sr. No.	Ratios	Formula Heads	Year ended 31.03.2023	Year ended 31.03.2022	Year ended 31.03.2021
1	Current Ratio (in times) (Current Assets/ Current Liabilities)	Current Assets	4,671.39	3,762.28	2,557.47
		Current Liabilities	3,793.38	3,696.51	2,269.85
		Current Assets/ Current Liabilities	1.23	1.02	1.13
2	Debt Equity Ratio (in times) (Total Debt/ Total Equity)	Total Debt	711.92	973.80	1,446.35
		Equity	2,359.90	1,314.78	853.38
		Total Debt/ Total Equity	0.30	0.74	1.69
3	Debt Service Coverage Ratio (in times) (EBIT/ Interest Expense + Current payment of Principal amount)	EBIT	1,166.77	771.98	332.17
		Interest	161.05	160.79	180.13
		Principal Payment	164.29	122.93	104.34
		EBIT/ (Interest Expense + Current payment of Principal amount)	3.59	2.72	1.17
4	Return on Equity Ratio (in %) (Profit after tax/ Equity)	Profit after tax	765.11	461.40	114.53
		Equity	2,359.90	1,314.78	853.38
		Profit after tax/ Equity	32.42%	35.09%	13.42%
5	Inventory Turnover Ratio (in times) (Cost of Goods Sold / Average Inventory)	Cost of Goods Sold	8,046.52	8,169.58	4,747.03
		Average Inventory	1,382.48	1,383.99	1,481.81
		Cost of Goods Sold / Average Inventory	5.82	5.90	3.20
6	Trade Receivables Turnover Ratio (in times) (Sales/Average Trade Receivables)	Revenue from operations	10,914.82	10,357.00	5,976.46
		Avg Debtors	1,642.67	996.39	484.26
		Average Trade Receivables/ Sales	6.64	10.39	12.34
7	Trade Payables Turnover Ratio (in times) (Net Purchases/Average Trade	Net Credit Purchases	8,242.89	7,970.19	4,750.80
		Avg Creditors	2,244.07	1,669.64	1,483.49
		Average Trade Payables/ Net Credit Purchases	3.67	4.77	3.20

Sr. No.	Ratios	Formula Heads	Year ended 31.03.2023	Year ended 31.03.2022	Year ended 31.03.2021
	Payables)				
8	Net Capital Turnover Ratio (in times) (Revenue from Operations/Average Working Capital)	Revenue from operations	10,914.82	10,357.00	5,976.46
		Average working capital i.e. Total current assets less Total current liabilities	471.89	176.69	111.89
		Revenue from Operations/Average Working Capital	23.13	58.62	53.41
9	Net Profit Ratio (in %) (Profit for the year/Revenue from operations)	Profit for the year	765.11	461.40	114.53
		Revenue from operations	10,914.82	10,357.00	5,976.46
		Profit for the year/Revenue from operations	7.01%	4.45%	1.92%
10	Return on Capital Employed (in %) (Profit before tax and finance costs/ Equity and borrowings)	Profit before tax and finance costs	1,166.77	771.98	332.17
		Equity+Borrowings	3,071.82	2,288.58	2,299.73
		Profit before tax and finance costs/ Equity and borrowings	37.98%	33.73%	14.44%

B Additional Information to The financial statements:-

1. Value of imports calculated on C.I.F basis by the company during the financial year in respect of :

	Particulars	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(a)	Raw materials/ Traded Goods	6,288.03	6,035.08	3,283.04
	Total	6,288.03	6,035.08	3,283.04

2. Earnings in foreign exchange

	Particulars	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(a)	Export of goods	1,262.22	797.41	547.47
(b)	Consulting & Professional Charges	11.18	7.94	-
	Total	656.03	805.36	547.47

OTHER FINANCIAL INFORMATION

The audited financial statements of our Company as at and for the period/year ended March 31, 2023, March 31, 2022 and March 31, 2021 and their respective Audit reports thereon (Audited Financial Statements) are available at www.hemantsurgical.com.

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of the Draft Red Herring Prospectus; (ii) Red Herring Prospectus or (ii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor LM, 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 Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI (ICDR) Regulations are given below: -

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Profit After Tax (Rs. In Lakhs)	765.11	461.40	114.53
Basic & Diluted Earnings per Share	10.28	8.96	2.22
Return on Net Worth (%)	32.42%	35.55%	13.69%
NAV (Based on no. of share outstanding at the end of year)	30.73	65.74	42.67
NAV per Equity Shares (Based on Weighted Average Number of Shares)	31.70	25.54	16.58
Earnings before interest, tax, depreciation and amortization (EBITDA)	1,016.89	626.82	306.86

STATEMENT OF FINANCIAL INDEBTEDNESS

To,
The Board of Directors,
Hemant Surgical Industries Limited
City of Joy, 502, 5th Floor, Ecstasy Commercial Park, JSD,
Mulund (West), Mumbai, Maharashtra - 400080

Dear Sirs,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of Hemant Surgical Industries Limited and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on 31st March, 2023 are mentioned below.

A. SECURED LOANS

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Purpose	Account Number	Sanctioned Amount (In Lacs)	Rate of interest (p.a.)	Primary & Collateral Security	Re-Payment Schedule	Moratorium	Outstanding amount as on 31.03.2023 as per Books (In Lakhs)
HDFC Bank Ltd	Vehicle Loan	129007190	40.02	6.90%	Hypothecation of vehicle	60 monthly instalments of Rs. 0.79 lakhs commencing from May 2022 ending in April'27	N.A	33.69
HDFC Bank Ltd	Vehicle Loan	96272263	8.75	9.00%	Hypothecation of vehicle	60 monthly instalments of Rs. 0.18 lakhs commencing from Jan 2020 ending in Dec'24	N.A	3.52
HDFC Bank Ltd	Vehicle Loan	105758667	17.50	9.00%	Hypothecation of vehicle	48 monthly instalments of Rs. 0.44 lakhs commencing from Feb 2023 ending in Jan'27	N.A	16.78
HDFC Bank Ltd	Vehicle Loan	132786043	17.67	7.80%	Hypothecation of vehicle	60 monthly instalments of Rs. 0.36 lakhs commencing from Oct 2022 ending in Sept'27	N.A	15.84
Punjab and Sind Bank	Car loan	4741200000331	13.63	7.50%	Hypothecation of vehicle	60 monthly instalments of Rs. 0.27 lakhs commencing from Sept 2020 ending in Aug'25	N.A	7.22
Standard Chartered Bank	Property Loan	5443195	91.45	10.04%	Refer note 1	60 monthly instalments (RS 1.54 principal + Interest) commencing from	N.A	77.50

						June 2022 ending in May'27		
Standard Chartered Bank	Emergency credit line term loan	5443224	36.91	9.25%	Refer note 1	26 monthly instalments (Rs.1.54 lakhs + interest) commencing from April 2022 ending in June'24	N.A	23.07
Standard Chartered Bank	Term loan	5443247	62.83	10.04%	Refer note 1	23 monthly instalments (Rs.2.73 lakhs + interest) commencing from Oct 2022 ending in June'24	N.A	40.99
Standard Chartered Bank	Working capital term loan	5481535	25.57	9.25%	Refer note 1	26 monthly instalments (Rs.1.07 lakhs + interest) commencing from June 2022 ending in July'24	N.A	17.05
Standard Chartered Bank	Property Loan	5481566	109.56	9.58%	Refer note 1	60 monthly instalments (Rs.1.89 lakhs + interest) commencing from Aug 2022 ending in May'27	N.A	94.45
Standard Chartered Bank	Property Loan	5509474	88.25	9.58%	Refer note 1	60 monthly instalments (Rs.1.54 lakhs + interest) commencing from May 2022 in May'27	N.A	77.41
Standard Chartered Bank	Working Capital Term loan	5509497	19.15	9.25%	Refer note 1	22 monthly instalments (Rs 0.91 Lakhs + interest) commencing from Sept 2022 ending on May'24		12.77
Small Industrial Development Bank Of India (SIDBI)	Term Loan	SIDBI/2021APR22/L411196826	50.00	5.00%	First charge by way of hypothecation in favour of SIDBI of all the Borrowers movable, including the movable, plant, machinery, machinery spares, tools & accessories, acquired/to be acquired under the project/scheme	Rs. 0.93 lakhs per month for 7 months & 0.89 lakhs per month for 47 +months commencing from Oct 2022 ending on March'25	6 Months	21.40
Standard Chartered Bank	Cash Credit	23505900488	250.00	LIBOR + 1.7%	Refer note 3	Repayable on demand	N.A	241.73
TATA AIG General Insurance Company	Loan Against Insurance Policy	C000918574	30.00	7.90% to 11.00 %	Charge on Insurance policy no:-C000918574 in the name of Hanskumar Shamji Shah		N.A	28.51
Total						711.93		

Principal terms of Cash Credit facilities availed from Standard Chartered Bank:

Financial Covenants

Conditions & Covenants on overdraft:

Conditions: Drawing power restricted to be lower of the following for overdraft facility

1. 75% of the stock (up to 120 days) + book debts (up to 90 days) less sundry creditors (including creditors under LC & BC Outstanding)

Sanctioned limit, the value of stock to be considered for computation of drawer power shall be lower: -

- a. Actual value of the stock as per the stock & book debts statement
 - b. Insured value of stock
2. Stock & book Debt statement to be submitted by the 15th of every month
 3. Disbursements to be strictly based on monthly drawing power
 4. DP to be adjusted downwards proportionately in case of shortfall of insurance cover

Other Terms & Conditions:

1. Multiple Banking arrangement related terms & conditions compliance (with Standard Chartered Bank & Yes Bank Limited or any other bank for working capital limits) to be ensured by RM.
2. Takeover formalities to be ensured by RM for takeover of Punjab & Sind working capital limits, ICICI Bank & HDFC Bank property loans and ECL loans respectively.
3. Borrower to route proportionate credit proceeds through SCB bank account within three months from date of disbursement. Borrower to obtain specific NOC from SCB before opening any other current account.
4. Client may continue to operate existing accounts with ICICI Bank & Punjab for customer collections and payments to suppliers, entire churning to be transferred to SCB bank account monthly basis.
5. Borrower and the promoters will not borrow any further Secured/Unsecured Loans from any Bank/NBFC/Financial Institution without prior permission from SCB.
6. Borrower to maintain minimum net worth of INR 112 mio as of 31st March 22 and INR 133 Mio as of 31st March 23. Any shortfall in profit plough back to be made good by infusion of owned funds/USL Unsecured Loans from Leena Shah amounting to Rs. 37.5 mio to remain in business & undertaking to be obtained from the unsecured lenders.
7. Statutory Auditor certified UFCE declaration to be submitted once a year & UFCE data to be provided on Quarterly basis within 30 days from end of the quarter.
8. Interest and principal repayments of unsecured loans to be subservient to interest and principal payments to SCB
9. Interest on all funded limits needs to be pre-funded during the month.
10. Borrower to ensure that all permissions and licenses held and remain valid at all points of time application for renewal to be done well in advance.
11. Borrower not to extend any loans/advances/investments/CD etc. to any related parties without prior approval from SCB
12. Any crystallization/revoke of contingent liability to be funded by the promoters through equity infusion.
13. Borrower to seek NOC from SCB prior to changing existing key management personnel/shareholding.
14. Borrower to obtain prior SCB approval to extend corporate guarantee for any type of borrowings availed by its group companies/ associates.
15. Stock audit to be conducted as per extant guidelines of the Bank.
16. Company to update the Bank at the earliest on occurrence of any adverse development in its business.
17. Company to maintain FDs of INR 2.5 mio towards DSRA.
18. Borrower to ensure that share application money of INR 12.5 Mio is converted to paid up capital in FY 22 financials & details to be submitted to the bank for verification
19. Business to ensure that title deeds of the property mortgaged with Retail team against SCB LAP and ECL facility is delivered to CRC.

Additional Interest/Charges:

Commitment Fees: A commitment fees of INR 15000/- will be debited to the borrower account per quarter in case the average utilisation of the overdraft facility is less than 50% of the sanctioned limit in the previous calendar quarter.

Additional Interest: Additional interest means the interest rate applicable on non-compliance with any of the Facility terms or for withdrawals in excess of limits specified above. This interest shall be at 2 per cent per annum, over and above the interest rate at which the Facility is made available from time to time.

Closure Charges:

The Borrower(s) shall provide at least 60 days prior written notice of its intention to close the Facility along with confirmation to pay the closure charges. The Facility shall attract closure charge at 2% (which may be revised by us from time to time) on the Facility granted to the Borrower plus applicable taxes. Closure charges shall apply in the event of:

- a) Closure of Facility Limits by the Borrower(s); or
- b) Borrower(s) not availing of the Facility or any part thereof within 60 (sixty) days from the date of its grant.

Note 1**Collateral Security: -****First Pari-Pasu Charge with Yes Bank by Way Of Hypothecation over:**

1. Current Assets (Existing & Future)
2. Movable Fixed Assets of the Company (Present & Future)

Property Mortgage: -

First Pari-Pasu Charge with Yes Bank over:

1. Survey No. 28/0(old Survey no 19 Hissa no 1) , Survey No. 29/1 (Old survey no.187/1/1) nr Atgaon Railway Station, Wada-Shahpur Road, Atgoan, Thane, Shahpur, Maharashtra
2. Plot No. 21 Achhad Industrial Estate, Nr. Achhad Boarder Check Post, N.H. 48, Achhad village, Talasari, Thane, Maharashtra
3. Flat No. 1405 & 1406, 14th Floor, Shobha suman, Pandit Madan Mohan Malviya Marg, Asha Nagar, Mulund West, Mumbai, 400080
4. Office no. 502, 5th Floor, ecstasy Business Park, City of joy, J.S.D. Road Mulund (W), Mumbai, Maharashtra 400080
5. Unit No. 815, 8th Floor, Lodha Supremus II Plot No. F, F-4/1, MIDC Wagle Industrial Estate Thane (W) Maharashtra 400604
6. Jumboshed Godown No. 1 & 2, 3-A, Building No.189, Indian Corporation Complex, Mankoli Naka, Village Gundvali, Taluka Bhiwandi, Thane-421302
7. Unit No. 307, 3rd Floor, B Wing , Prateek Industrial Estate Goregoan Mulund Link Road, Mumbai 400080
8. Gala No. B8, Basement, Prateek Industrial Estate, Goregaon Mulund Link Road, Mumbai 400080

Personal Guarantee: -

1. Hanskumar Shamji Shah
2. Hemant Praful Shah
3. Kaushik Hanshkumar Shah
4. Leena Hanskumar Shah

Note 2**Collateral Security:-**

1. 1st charge on Stocks & Book debts of the company
2. Exclusive charge on following properties:
 - a) Gala No. 307, 3rd floor, Prateek Industrial Estate, Mulund W, Mumbai
 - b) Gala No. B-8, Basement Prateek Indl Estate, Mulund W Mumbai
 - c) Land & Bldg. Plot No. 21, Acchad Indl Estate, Taluka, Talasari, Dist. Thane
 - d) Land & Bldg. at Survey No. 28/0S. No. 29/1, at Atgaon, Taluka. Shahpur, Dist. Thane
 - e) Godown No.01, Bldh No. 188, Indian Corporation Complex, Bhiwandi
 - f) (Flat No. 1405 & 1406, Shobha SumanBldg. P &T Colony, P K Road, Mulund West, Mumbai-400060

Personal guarantee of:

- a) Hanskumar Shamji Shah
- b) Kaushik Hanskumar Shah

**For A D V & Associates
Chartered Accountants
FRN: 128045W**

Sd/-

**Ankit Rathi
Partner
M. No.: 162441
UDIN:23162441BGZGTH2990
Place: Mumbai
Date: April 28, 2023**

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled “Financial Information of the Company” beginning on page 136 You should also read the section titled “Risk Factors” on page 24 and the section titled “Forward Looking Statements” on page 17 of this Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated Financial Statements.

Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated January 04, 2023 which is included in this Prospectus under “Financial Statements”. The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.

BUSINESS OVERVIEW

We manufacture, import, assemble and market a comprehensive portfolio of medical equipments and disposables. Our product offerings cover a wide spectrum of equipments and disposables required for (i) Renal Care, (ii) Cardiovascular Disease (iii) Respiratory Disease, (iv) Critical Care and Radiology and (v) Surgical disposables. Our wide range of products includes some of the indigenously manufactured products along with some other products that are imported from countries like: Japan, China France and Australia and are further processed in our assembly units. In addition we are also providing services for maintenance and running of dialysis centres.

Our company started its operations with importing and marketing of medical disposables like: meditapes, all over India from JMS Co Ltd. Japan. Later in the year 1999 our company started its manufacturing operations with one manufacturing unit and over the years expanded its manufacturing and assembly operations to two more additional units as under:

- 1) Manufacturing Unit I situated at Achad Industrial Estate – where we first started our operations in 1999 and are currently manufacturing products like : Dialysis solution (liquid and Powder) used in dialysis, Hot and Cold Sterilant used for cleaning dialyzer, Purified water used in rinsing and cleaning of dialysis machines and sanitizer.
- 2) Assembly Unit II situated at Atgaon - for assembly of various medical devices like: Nebulizers, Oxygen Concentrator, Air Mattress, Digital Thermometer, Pulse Oximeters, ECG Electrodes, Dialyzer which are sold under the Brand Name “Aero Plus”. Silicon Foley catheters imported from China which are further processed and sold under the Brand name “Safecath” and for assembly of new and refurbished dialysis machines imported from China, France and Australia, Meditapes imported from JMS Co. Ltd., Japan.
- 3) Assembly Unit III situated at Bhiwandi – for assembly of products like: Intravenous Infusion Set, ECG Machines, Ultrasound Machines, Paramonitor, Ventilator etc.

Our facilities are ISO 9001:2015 and ISO 13485:2016 certified having fully equipped quality control department with experienced and qualified staff to facilitate smooth manufacturing and assembly line process. Our Company was founded in the year 1989 by one of our Promoters, Hanskumar Shamji Shah, who has over 35 years of experience in the industry. As on date, we

- 1) Entered into exclusive distribution agreement with JMS Co. Ltd., Japan for importing and marketing JMS Meditape in India. The imported meditape undergoes the process of rewinding, slitting, and packaging in our assembly unit situated at Atgaon and is then sold in Indian market.
- 2) Entered into technical collaboration agreement with JMS Singapore Pte. Ltd. for manufacturing Intravenous Infusion Set which are sold under the brand name “JMS” in India.
- 3) Appointed as sole agent of SWS Hemodialysis Care Co. Ltd. China to sell and do maintenance of SWS-4000A hemodialysis machines in West India on exclusive basis.

- 4) Signed exclusive distribution agreement with Hemant Phillipines Inc./ Mediply Inc. for supply of renal care equipment, medical devices and consumables for marketing the same in entire Philippines
- 5) Entered into an agreement with Zoncare Bio-medical Electronics Co., Ltd for catering to the needs of radiology where we have initiated import and assembly of critical care products like: Ultrasound Machine imported from China. Further we have been awarded as “Best Performing Partner” in the year 2022 by Zoncare Bio-medical Electronics Co., Ltd.

Key Performance Indicators of our Company

(Rs. in lakhs)			
Key Financial Performance	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations ⁽¹⁾	10,914.82	10,357.00	5,976.46
EBITDA ⁽²⁾	1016.89	626.82	306.86
EBITDA Margin ⁽³⁾	9.32%	6.05%	5.13%
PAT	765.11	461.40	114.53
PAT Margin ⁽⁴⁾	7.01%	4.45%	1.92%

Notes:

⁽¹⁾Revenue from operation means revenue from sales, service and other operating revenues

⁽²⁾EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

⁽³⁾ ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

⁽⁴⁾ ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to Annexure IV of Restated Financial Statements beginning on page 136 of this Prospectus.

Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “**Risk Factors**” beginning on page 24 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in consumer demand and preferences;
3. Failure to successfully upgrade our product portfolio, from time to time;
4. Any change in government policies resulting in increases in taxes payable by us;
5. Increased competition in the Industry in which we operate;
6. Our ability to retain our key managements persons and other employees;
7. Changes in laws and regulations that apply to the industries in which we operate.
8. Our failure to keep pace with rapid changes in technology;
9. Our ability to grow our business;
10. Our ability to maintain our relationships with domestic as well as foreign vendors and their inability to meet our products specifications and supply our products in timely manner;
11. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
12. general economic, political and other risks that are out of our control;
13. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
14. Exchange rate fluctuations in various currencies in which we do business;
15. Company’s ability to successfully implement its growth strategy and expansion plans ;
16. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
17. Inability to successfully obtain registrations in a timely manner or at all;
18. Occurrence of Environmental Problems & Uninsured Losses;
19. Conflicts of interest with affiliated companies, the promoter group and other related parties;
20. Any adverse outcome in the legal proceedings in which we are involved;
21. Concentration of ownership among our Promoters;
22. The performance of the financial markets in India and globally;
23. Impact of covid-19 on our business and operations; and
24. Global distress due to pandemic, war or by any other reason.

Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements.

(₹ in Lakhs)

Particulars	FY 2022-23	% of Total Income	FY 2021-22	% of Total Income	FY 2020-21	% of Total Income
Revenue From Operations	10,914.82	97.89%	10,357.00	97.92%	5,976.46	98.54%
Other Income	234.85	2.11%	220.02	2.08%	88.73	1.46%
Total Revenue	11,149.68	100.00%	10,577.02	100.00%	6,065.19	100.00%
Expenses:						
Cost of Material Consumed	8197.24	73.52%	8,149.31	77.05%	4,926.61	81.23%
Changes in inventories of finished goods	(150.72)	1.35%	20.27	0.19%	-179.57	-2.96%
Employee benefit expenses	666.43	5.98%	576.06	5.45%	378.28	6.24%
Financial Cost	191.26	1.72%	163.91	1.55%	180.71	2.98%
Depreciation and amortization expenses	84.97	0.76%	74.86	0.71%	63.43	1.05%
Others Expenses	1154.76	10.36%	981.42	9.28%	543.69	8.96%
Total Expenses	10143.95	90.98%	9,965.82	94.22%	5,913.15	97.49%
Profit before exceptional ,extraordinary items and tax	1005.72	9.02%	611.20	5.78%	152.04	2.51%
Less: Exceptional Items	-	-	-	-	-	-
Profit before extraordinary items and tax (A-B)	1005.72	9.02%	611.19	5.78%	152.04	2.51%
Prior Period Items	-	-	-	-	-	-
Extra ordinary items	-	-	-	-	-	-
Profit before tax	1005.72	9.02%	611.19	5.78%	152.04	2.51%
<i>Tax expense:</i>						
Current tax	252.04	2.26%	145.19	1.37%	26.88	0.44%
Tax Related to Earlier year	-	-	-	-	-	-
Deferred Tax	(11.42)	0.10%	4.6	0.04%	10.63	0.18%
Profit/(Loss) for the period After Tax	765.11	6.86%	461.4	4.36%	114.53	1.89%

Main Components of our Profit and Loss Account

Revenue from operations:

Revenue from operations mainly consists of revenue from sale of medical equipments and disposables.

Other Income:

Our other income primarily comprises of rent received, interest income on fixed deposits, insurance claim, exchange fluctuation gain and other incomes.

Expenses:

Company's expenses consist of Cost of material consumed, Changes in inventories of finished goods, Employee benefits expense, Finance costs, Depreciation and amortization expenses and other expenses.

Cost of material Consumed

Cost of materials consumed is the aggregate of our cost of raw materials consumed which includes additional purchases and change in inventory of raw materials.

Changes in inventories of finished goods:

Changes in inventories of finished goods and stock-in-trade comprises of increase/decrease in Finished Goods, and Stock-in-Trade.

Employee benefits expense:

Our employee benefits expense primarily comprises of Salaries, wages & bonus expenses, Contribution to PF and Other funds, Gratuity expenses, Director's remuneration and Staff welfare expenses.

Finance Costs:

Our finance cost includes Interest expense on borrowings and bank charges including processing fees.

Depreciation and Amortization Expenses:

Depreciation includes depreciation on Factory Building, Plant & Machinery, Furniture & Fixtures, Vehicles, Office Equipment and Computers.

Other Expenses:

Our other expenses consists of Power & Fuel, Factory Rent, Business Promotion, Discounts, GST Reversal, Insurance, Legal & Professional Fees, MMRDA penalty, Travelling & Conveyance, Vehicle Running Expenses, Freight & Forwarding, Marketing Expenses, Repair & Maintenance of Assets, etc.

Financial Year 2023 Compared to Financial Year 2022 (Based on Restated Financial Statements)

Total Income:

Total income for the financial year 22-23 stood at Rs. 11,149.68 Lakh whereas in Financial Year 21-22 the same stood at Rs. 10,577.02 Lakh representing significant increase of 5.41%. The main reason of increase was increase in the volume of business operations of the company.

Revenue from Operations:

During the financial year 22-23 the net revenue from operation of our Company increased to Rs.10,914.82 Lakh as against Rs. 10,357 Lakh in the Financial Year 21-22 representing an increase of 5.39% %. The main reason of increase was increase in the volume of business operations of the company.

Other Income:

During the financial year 22-23 the other income of our Company increased to Rs.234.85 Lakh as against Rs.220.02 Lakh in the Financial Year 21-22 representing an increase of 6.74%

Total Expenses:

The total expense for the financial year 22-23 increased to Rs.10,143.95 Lakh from Rs .9965.82 Lakh in the Financial Year 21-22 representing an increase of 1.79%. Such increase was due to increase the volume of business operations of the Company.

Cost of Materials Consumed:

The Cost of Materials Consumed for the financial year 22-23 increased to Rs.8197.24 Lakh from Rs.8149.31 Lakh for the financial year 21-22, representing an increase of 0.59% % from the previous year due to increase material consumption expenses along with increase in prices of raw material.

Changes in the Inventory:

Change in inventory of finished goods, work in progress and stock in trade was ₹(150.72) Lakh during the financial year 22-23 as compared to ₹ 20.27 Lakh in the financial year 21-22. The decrease of 843.66 % was due to decrease in closing stock of Finished Goods

Employee benefits expense:

Our Company has incurred Rs.666.43 Lakh as Employee benefits expense during the financial year 22-23 as compared to Rs. 576.06 Lakh in the financial year 21-22. The increase of 15.69 % was due to increase in salaries and wages.

Finance costs:

These costs for the financial Year 22-23 decreased to Rs.191.26 Lakh as against Rs.163.91 Lakh during the financial year 21-22. The decrease of 16.69 % was due to decrease in interest expenses and borrowing cost.

Depreciation and Amortization Expenses:

Depreciation for the financial year 22-23 stood at Rs.84.97 Lakh as against Rs.74.86 Lakh during the financial year 21-22. The increase in depreciation was around 13.51% in comparison to the previous year.

Other Expenses:

Our Company has incurred Rs.1154.76 Lakh during the Financial Year 22-23 on other expenses as against Rs.981.42 Lakh during the financial year 21-22. The increase of 17.66% was mainly due to increase in factory rent, reduction of foreign exchange losses, increase in bad debts, discounts, GST reversal, insurance, legal & professional fees, vehicle running expenses, marketing expenses, repair & maintenance and other administration expense.

Restated profit before tax:

Net profit before tax for the financial year 22-23 increased to Rs. 1005.72 Lakh as compared to Rs.611.19 Lakh in financial year 2021-22 representing an increase of 64.55%

Restated profit after tax:

The Company reported Restated profit after tax for the financial year 22-23 was Rs.765.11 Lakh in comparison to Rs. 461.40 lakh in the financial year 21-22 majorly due to factors mentioned above.

Financial Year 2022 Compared to Financial Year 2021 (Based on Restated Financial Statements)**Total Income:**

Total income for the financial year 21-22 stood at Rs. 10,577.02 Lakh whereas in Financial Year 20-21 the same stood at Rs. 6,065.19 Lakh representing significant increase of 74.39%. The main reason of increase was increase in the volume of business operations of the company.

Revenue from Operations:

During the financial year 21-22 the net revenue from operation of our Company increased to Rs. 10,357.00 Lakh as against Rs. 5,976.46 Lakh in the Financial Year 20-21 representing an increase of 73.30 %. The main reason of increase was increase in the volume of business operations of the company.

Other Income:

During the financial year 21-22 the other income of our Company increased to Rs. 220.02 Lakh as against Rs.88.73 Lakh in the Financial Year 2020-2021 representing an increase of 147.97%.

Total Expenses:

The total expense for the financial year 21-22 increased to Rs. 9,965.82 Lakh from Rs. 5,913.15 Lakh in the Financial Year 20-21 representing an increase of 68.54%. Such increase was due to increase the volume of business operations of the Company.

Cost of Materials Consumed:

The Cost of Materials Consumed for the financial year 21-22 increased to Rs. 8,149.31 Lakh from Rs. 4,926.61 Lakh for the financial year 20-21, representing an increase of 65.41% from the previous year due to increase material consumption expenses along with increase in prices of raw material.

Changes in the Inventory:

Change in inventory of finished goods, work in progress and stock in trade was ₹ 20.27 Lakh during the financial year 21-22 as compared to ₹ (179.57) Lakh in the financial year 20-21. The increase of 111.29% was due to decrease in closing stock of Finished Goods

Employee benefits expense:

Our Company has incurred Rs. 576.06 Lakh as Employee benefits expense during the financial year 21-22 as compared to Rs. 378.28 Lakh in the financial year 20-21. The increase of 52.28% was due to increase in salaries and wages.

Finance costs:

These costs for the financial Year 21-22 decreased to Rs. 163.91 Lakh as against Rs. 180.71 Lakh during the financial year 20-21. The decrease of 9.30% was due to decrease in interest expenses and borrowing cost.

Depreciation and Amortization Expenses:

Depreciation for the financial year 21-22 stood at Rs. 74.86 Lakh as against Rs. 63.43 Lakh during the financial year 20-21. The increase in depreciation was around 18.02% in comparison to the previous year.

Other Expenses:

Our Company has incurred Rs. 981.42 Lakh during the Financial Year 21-22 on other expenses as against Rs.543.69 Lakh during the financial year 20-21. The increase of 80.51% was mainly due to increase in factory rent, reduction of foreign exchange losses, increase in bad debts, discounts, GST reversal, insurance, legal & professional fees, vehicle running expenses, marketing expenses, repair & maintenance and other administration expense.

Restated profit before tax:

Net profit before tax for the financial year 21-22 increased to Rs. 611.19 Lakh as compared to Rs.152.04 Lakh in financial year 2020-21 representing an increase of 302%

Restated profit after tax:

The Company reported Restated profit after tax for the financial year 21-22 was Rs. 461.40 Lakh in comparison to Rs. 114.53 Lakh in the financial year 20-21 majorly due to factors mentioned above.

Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

There has not been any unusual trend on account of our business activity. Except as disclosed in this Prospectus, there are no unusual or infrequent events or transactions in our Company.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section “***Risk Factors***” beginning on page 24 of the Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Other than as described in the sections “***Risk Factors***”, “***Our Business***” and “***Management’s Discussion and Analysis of Financial Condition and Results of Operations***” on pages 24, 94 and 178 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

5. Total turnover of each major industry segment in which our Company operates

The Company operates in a single industry segment wherein we manufacture, import, assemble and market of comprehensive portfolio of medical equipments and disposables. Relevant industry data, as available, has been included in the chapter titled “***Industry Overview***” beginning on page 83 of this Prospectus.

6. Status of any publicly announced New Products or Business Segment

Except as disclosed in the Chapter “***Our Business***”, our Company has not announced any new product.

7. Seasonality of business

Our Company’s business is not seasonal in nature. For further information, see “***Industry Overview***” and “***Our Business***” on page 83 and 94 respectively

8. Dependence on single or few customers or suppliers

For the FY 22-23, FY 21-22 and 20-21 our top 10 customers contributed to approximately 40.65%, 39.03% and 33.26% of our revenue from operations. For further information, see “***Risk Factors***” on page 24 of this Prospectus.

9. Competitive conditions

Competitive conditions are as described under the Chapters “***Industry Overview***” and “***Our Business***” beginning on pages 83 and 94 respectively of this Prospectus.

10. Details of material developments after the date of last balance sheet i.e., March 31, 2023.

After the date of last Balance sheet i.e., March 31, 2023, the following material events have occurred:

1. Our company has approved the audited financial statements for the financial year ending March 31, 2023 in the Board meeting dated April 28, 2023.
2. Our Company has approved the Restated Financial Statements for the financial year ending March 31, 2023, March 31, 2022 and March 31, 2021 in the Board meeting dated April 28, 2023.
3. Our Company has approved the Draft Red Herring Prospectus vide resolution in the Board Meeting dated May 05, 2023
4. Our Company has approved the Red Herring Prospectus vide resolution in the Board Meeting dated May 16, 2023
5. Our Company has approved the Prospectus vide resolution in the Board Meeting dated May 30, 2023

CAPITALIZATION STATEMENT

(₹ In Lakhs)

Particulars	Pre Issue	Post Issue*
Borrowings		
Short term debt (A)	406.03	406.03
Long Term Debt (B)	305.90	305.90
Total debts (C)	711.92	711.92
Shareholders' funds		
Equity share capital	768.00	1044.00
Reserve and surplus - as restated	1,591.90	3799.90
Total shareholders' funds	2,359.90	4843.90
Long term debt / shareholders funds	0.13	0.06
Total debt / shareholders funds	0.30	0.15

* The corresponding post issue figures are based on Auditor's Certificate dated May 30, 2023

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. Bonus Issue of 2,88,000 Equity Shares in the ratio of 3:5 has been allotted held in the Board Meeting held on December 21, 2022
4. 27,60,000 Equity Shares to be allotted in the Initial Public Offer in terms of Red Herring Prospectus dated May 16, 2023.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoter in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, its Directors and Promoters.

Our Board, in its meeting held on January 04, 2023 determined that outstanding legal proceedings involving the Company, its Directors and Promoter will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds 5.00% of the Company’s trade payables as per the last restated financial statements.

A. LITIGATION INVOLVING THE COMPANY

a. Criminal proceedings against the Company

1. State of Tamil Nadu represented by Drugs Inspector v. Hemant Surgical Industries Limited and Hanskumar Shah [CC No. 13/2017].

The Drug Inspector, Thiruvar (“**Complainant**”) has filed a criminal complaint C.C. No 13 of 2017 in the court of the Judicial Magistrate, Thiruvarur against Our Company and our Director Hanskumar Shah (collectively as “**Defendants**”), alleging that the Defendants have violated

- (a) Section 18(b) read with section 17(b) of the Drugs and Cosmetics Act and Rule 96(1)(xii) of the Drugs and Cosmetics Rule, 1945 because the label of the drug does not bear the license number under which the drug is imported, preceded by the words “import License” which is punishable under section 27(d) of the Drugs and Cosmetics Act, 1940, and
- (b) Section 18-A of the Drugs and Cosmetics Act, 1940 for not disclosing the name, address and other particulars of the person from whom he acquired the drug which is punishable under section 28 of the Drugs and Cosmetics Act, 1940.

Subsequently, the Defendants have jointly filed a petition under section 482 of the Criminal Procedure Code in the High Court of Madras for quashing and stay of proceedings. The matter is currently pending before the Hon’ble High Court of Madras.

The Defendants are also defendant in the below mentioned (a to c) connected matters, wherein they have filed quash petitions filing no. CRL MP(MD) 16769/2023 in CRL OP(MD)(SR) 16768/2023, filing No. CRL OP(MD)(SR) 16768/2023, filing No. CRL MP(MD) 16776/2023 in CRL OP(MD)(SR) 16767/2023, filing No. CRL MP(MD) 16779/2023 in CRL OP(MD) (SR) 16777/2023, filing No. CRL OP(MD) 16767/2023 on 20th April, 2023 before the Hon’ble High Court, Madurai Bench:

- (a) C.C No. 655/2016 filed by the Drugs Inspector, Dindugul II Range before the Hon’ble Judicial Magistrate No. II Dindugul,
- (b) C.C No. 391/2017 filed by the Drugs Inspector, Srivilliputhur Range before Chief Judicial Magistrate at Srivilliputhur,
- (c) S.T.C No. 371/2016 filed by the Drugs Inspector, Thanjavur Range before the Judicial Magistrate No. 1, Thanjavur.

The above-mentioned matters are yet to be numbered and listed before the Hon’ble High Court of Madras, Madurai Bench

b. Criminal proceedings filed by the Company

1. Hemant Surgical Industries Limited v. Mohd. Javed and Others [C.C No. 549/SS/2016].

Our Company (as “**Complainant**”) filed a complaint under section 138 read with section 142 of the Negotiation Instruments Act, 1881 before the Metropolitan Magistrate’s 27th Court at Mulund, Mumbai against one Mr. Mohd. Javed and M/s. R M Surgical (“**Accused**”) for the dishonour of cheque of INR 2,03,308/- (Rupees Two Lakh Three Thousand Three Hundred and Eight Only) issued to the Claimant pursuant to purchase of medical equipment by Accused worth Rs. 4,03,308/- (Rupees Four Lakh Three Thousand Three Hundred and Eight Only). The learned Metropolitan Magistrate in the case issued summons to both the Accused by sending summons in July 2017 but the accused never appeared in the case and therefore Complainant subsequently on 25 July 2018 made an application to the Hon’ble Metropolitan Magistrate for issue of fresh summons to the accused. The matter is currently pending before the Hon’ble Court of Metropolitan Magistrate.

The last date of hearing in this matter is May 10, 2023 for summons report.

2. Hemant Surgical Industries Limited v. Radhika Multispecialty Hospital [SS/0000301/2020].

Our Company (as “**Complainant**”) filed a criminal complaint dated October 29, 2020 in the 27th Metropolitan Magistrate Court, Mulund, Mumbai under the section of 138 read with section 142 of the Negotiable Instrument Act against Radhika Multispecialty Hospital and Dr Vijay Ade the in-charge for Radhika Hospital (collectively as “**Accused**”) for recovery of Rs.1,50,000 (Rupees One Lakh Fifty Thousand Rupees Only) pursuant to dishonor of cheques submitted by Accused for the purchase of medical equipment from the Complainant. This matter is currently pending before the Hon’ble Metropolitan Magistrate Court.

The next date of hearing in this matter is September 12, 2023.

c. Other pending material litigations against the Company

I. Civil proceedings initiated against the Company

1. M.K Precision Metal Parts Private Limited v. M/s. Hemant Surgical Industries Limited & Ors. [Summary Suit No. 19/2016].

M/s. M.K. Precision Metal Parts Private Limited (“**Plaintiff**”) had filed a summary suit against our Company and our Director Hanskumar Shah (collectively as “**Defendant**”) before the Court of Civil Judge (S.D.) Thane, Maharashtra claiming partial dues for payment of amount by the Defendant for purchases of HVAC components. Based upon the plaint submitted by the Plaintiff, a total sum of INR 20,93,092/- (Rupees Twenty Lakh Ninety-Three Thousand and Ninety Rupees Only) was claimed as amount due against the Defendant in lieu of the above purchase. Thereby, Defendant made part payment against those dues amounting to Rs. 14,84,814/- (Rupees Fourteen Lakh Eighty-Four Thousand Eight Hundred and Fourteen Only) and now by way of this instant summary suit Petitioner has claimed payment of the remaining of INR 6,69,106/- (Rupees Six Lakh Sixty Nine Thousand One Hundred and Six Only) along with an interest payable at 14% per annum from the date of the transaction. The Defendants in their reply filed in this instant matter contended that the Defendants raised grievances with the sub-standard quality of products from time to time. Further, the Defendants countered, the fact that goods were dispatched is not relevant since it was agreed between the Parties that Plaintiff had to install unit and give installation report, which the Plaintiff failed to hence the Defendant objected to pay the outstanding balance. The Defendants submitted that the claims of the Plaintiff is not bonafide, since the amount claimed by the Plaintiff without performing its part of contract, i.e. replacement and repair of unit sold by removing components of sub-standard quality and to give installation report and certificate of validation of the instrument which is required to be displayed in the factory premises for inspection by FDA authorities. The matter is currently pending before the Hon’ble Court of Civil Judge, Thane.

The next date of hearing in this matter is June 12, 2023 for arguments.

2. Globelink WW India Private Limited v. Hemant Surgical Industries Limited & Ors. [Summary Suit No. 185 of 2016] & [Counter Claim No. 12 of 2016 in Summary Suit No. 185 of 2016].

Globelink WW Private Limited (as “**Plaintiff**”) filed a summary suit dated December 23, 2015 before the City Civil Court of Bombay at Bombay against our Company and our Director Hanskumar Shah (collectively as “**Defendants**”) alleging dues amounting to Rs. 7,74,879 (Rupees Seven Lakh Seventy-

Four Thousand Eight Hundred and Seventy-Nine Only) along with interest at 21% per annum to be paid by the Respondents jointly or severally pursuant to invoices raised by the Petitioner for transportation and importing of medical equipments consignments from various places around the world to Mumbai. The Plaintiffs in the Summary Suit filed before the City Civil Court contend that the Defendants has been convicted for offence under section 138 of the Negotiable Instrument Act have failed to comply with the judgement and order of the Hon'ble Sessions Court. In the same summary suit, the Defendants have jointly filed a counter claim for an amount of INR 7,95,000/- (Rupees Seven Lakh Ninety-Five Thousand Only) inclusive of interest praying that the Plaintiff had overcharged and over billed them due to which Defendants suffered loss of Rs. 7,00,000/- towards non-delivery of the goods. The Defendants have made a counter claim of Rs. 8,00,000/- against the Plaintiff. The matter is currently pending before the Hon'ble City Civil Court of Bombay.

As per order dated February 20, 2023, the Hon'ble City Civil Court, Mumbai recorded that settlement talks are going on in the present matter. The matter is next listed July 20th 2023 for summons for judgment hearing.

d. Other pending material litigations filed by the Company

I. Civil Proceedings instituted by the Company

(a) M/s Hemant Surgical Industries Limited v. The Commissioner of Customs [C.A No. 6154 – 6155 of 2013]

Our Company (as "Appellant") filed a statutory appeal under section 130-E of the Customs Act, 1962 against the Commissioner of Customs ("Respondent") before the Supreme Court against the impugned order of the Customs Excise Service Tax Appellate Tribunal Mumbai dated January 2nd, 2013 challenging denial for exemption on payment of custom duty for importing Microporous Surgical Tape. The Appellant contended that Microporous Surgical Tape imported by the Appellant being an "Accessory of Medical Equipment" is exempted from basic duty of Customs under Notification No. 21/2002-Cus dated March 1st 2002, Countervailing Duty under Notification No. 6/2006-CE dated March 1st 2006 and Special Additional Customs Duty under Notification No. 20/2006-Cus dated March 1st 2006. The matter is currently pending adjudication before the Hon'ble Supreme Court.

As per the last order dated September 26, 2014, the Appellant was directed to file affidavit of service within two weeks. It is further represented that our Company has not received any written statement or reply by the Respondent in the instant appeal filed by us. The matter has not been listed ever since. The matter is currently pending before the Hon'ble Supreme Court. The details and quantum of the amounts are mentioned under the heading "*Tax Proceedings- Indirect Tax*" on page 192 this Prospectus.

(b) M/s Hemant Surgical Industries Limited v. Union of India [W.P No. 963 of 2022]

Our Company (as "**Petitioner**") filed a writ petition against Add. Commissioner of Customs (**Respondent no. 3**) along with other Defendants (collectively "**Respondents**") challenging the arbitrary and illegal manner in which Respondent no. 3 applied Hazardous and other Waste (Management and Transboundary Movement) Rules, 2016 to prohibit and confiscate non-hazardous used hemodialysis machines imports of the Petitioner. Further, the Petitioner prayed for setting aside show cause notice issued by Respondent No. 3 in relation to violation of rules under the Hazardous Waste Rules and quashing the impugned order passed by Respondent No. 3 holding the imported goods as prohibited under the aforementioned Rules and further order for confiscation of the imported goods as mentioned hereinabove. The Hon'ble High Court of Bombay vide order dated November 18, 2022 directed the respondent to (a) release the subject consignment of haemodialysis machines and further directed the Petitioner to pay the additional basic customs and any other additional duty or surcharge or cess as per Customs Tariff Act and redemption fine in amount of Rs. 5,00,000/- pursuant to which the Respondent was directed to release the goods within one week. This matter is currently pending adjudication before the Hon'ble High Court of Bombay.

The next date of hearing in this matter is June 6th, 2023 for final hearing.

(c) Hemant Surgical Industries Limited v. National Standard India Limited and Lodha Group [S.C. Suit No. 100888/2017]

Our Company (as “**Plaintiff**”) has filed a civil suit against National Standard India Limited (“**Defendant 1**”) and Lodha Group (“**Defendant 2**”) (Defendant 1 and Defendant 2 shall be collectively termed as “**Defendants**”) in the City Civil Court of Bombay at Bombay. The Plaintiff executed Agreement to Sell dated May 30th 2015 with Defendant 1 to purchase property constructed by Defendant 2 for consideration of Rs. 1,71,31,500/- The Plaintiff filed the present suit praying for recovery of refund of Rs. Rupees 13,12,495/- along with interest of at the rate of 18% p.a for payment made by Plaintiff towards delayed payment of consideration for the property and Agreement revocation charges which the plaintiff was not liable to pay due to default on part of Defendants in relation to purchase of office premises being Unit No. 815, 8th floor, Lodha Supremus II, Plot No F4 and F1, MIDC Wage Estate, Thane – 400 604.

The next date of hearing in this matter is June 7th, 2023, for filing of affidavit of document.

(d) Hemant Surgical Industries Limited v. Chikitsa Diagnostic and Imaging Centre [Execution Appln. 100183/2020].

Our Company (as “**Plaintiff**”) filed a summary suit before City Civil Court at Bombay [S.C Suit No. 100735/2018] against the Chikitsa Diagnostic and Imaging Centre Dr Nadkumar Y Tasgoankar and Tasgoankar Institute (collectively as “**Defendants**”), for the recovery of Rs. 7,31,250 (Rupees Seven Lakh Thirty One Thousand Two Hundred and Fifty) for outstanding amounts due by the Defendant towards supply of dialysis machines. A decree vide order dated October 16, 2019 was passed in favour of the Petitioner directing Defendants herein to pay the amount of Rs. 7,31,250 (Rupees Seven Lakh Thirty One Thousand Two Hundred and Fifty) along with interest at 10% per annum. Further, the Petitioner has again filed an execution application at the same court for execution of the decree in favour of the Petitioner praying for issue of issue warrant of attachment under Order XXI, Rule 43 and 54 of the C.P.C against the defendant No. 1 above named thereby attaching movable properties viz, furniture, fixtures fittings, and all movable properties in the possession of the defendant and also attach right, title and interest in the immovable property of the defendant as mentioned in the Execution Application. Accordingly, the Hon’ble Sessions Judge vide order dated January 11th, 2023 has ordered for issue of warrant of sale in respect of properties under attachment. Further, the Court ordered registry to take necessary steps in compliance of order dated January 11th 2023. This matter is currently pending before the Hon’ble City Civil Court at Bombay.

The next date of hearing in this matter is June 28th, 2023, for compliance.

e. Actions by statutory and regulatory authorities against the Company

As on the date of this Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY

a. Criminal proceedings against the Promoters & Directors of the company

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated against the Promoters & Directors of the company.

b. Criminal proceedings filed by the Promoters & Directors of the company

(a) Hanskumar Shah v. Hiren Praful Lodya [C.C No. 100/SW/2015].

Our Director Mr. Hanskumar Shah (“**Complainant**”) filed a criminal complaint before the Metropolitan Magistrate Court, Mulund Mumbai against his son-in law and also one of its employees Mr. Hiren Praful Lodaya (“**Accused**”) serving Hemant Surgical Industries Limited (“**Company**”) for offences punishable under section 403 of the Indian Penal Code, 1860 for fraud, dishonest misappropriation of property and criminal breach of trust.

The Complainant filed a police complaint to the Assistant Police Commissioner of Mulund police station against the Accused on May 9, 2015 to register complainant of the Complainant under section 403 of IPC for appropriating Company’s money amounting to Rs. 6,13,250 collected by the Accused on behalf of the Company and not deposited by the Accused to the Company.

Later, in August 2015, the Complainant has filed a complainant before the Metropolitan Magistrate Court, Mulund Mumbai under section 420 and 408 of Indian Penal Code. The Complainant stated that the Accused was appointed as marketing representative for the Company wherein his job included marketing of surgical products to various hospitals and pharmaceuticals products to various buyers and collecting sale proceeds from the customers. The Accused dishonestly represented to the Company's customers that the bill amount be paid to him and further he will deposit the said amounts in Company. However, the Accused cheated by not depositing the said amounts to the Company. The Complainant terminated the services of the Accused and directed to deposit the misappropriated amount of Rs. 6,13,250/-.

In light of the above, the Accused has provided a bail bond and surety for offences charged against him. The matter is pending before the Metropolitan Magistrate Court, Mulund Mumbai and the Company has represented to us that the matter is still under pleading stage and the Accused is yet to file counter/reply if any.

The next date of hearing in this matter is November 7, 2023.

c. Other pending material litigations against the Promoters & Directors of the company

I. Civil Proceedings instituted against the Promoters & Directors of the company

1. Vardhaman Residency Private Limited v. Hanskumar Shah [Comm. Ar. Petition No. 194 of 2022].

Vardhan (“**Claimant**” / “**Petitioner**”) is the developer in the field of real estate and our director (“**Respondent**”) is the owner of parcels of land situated at Village Bushi, District Pune. The Petitioner had filed a claim for specific performance and damages against breach of terms of Memorandum of Understanding dated March 18, 2013 and Development Agreement dated March 28, 2013 entered between the Petitioner and the Defendant before the Arbitral Tribunal (“**Tribunal**”) that has been rejected by the Tribunal on January 21, 2022. The impugned award rejected the claim of the Petitioner for specific performance and damages and further entitled the Petitioner be entitled to a refund of Rs. 21,00,000 and Rs. 1,29,00,000 from the Respondent after adjusting the claims of the Respondents amounting to Rs. 7,82,700 and Rs. 37,87,210. Aggrieved by the said award, the Petitioner filed the instant arbitration petition before the High Court of Bombay for setting aside and quashing the said impugned award of the arbitral award. This petition is pending admission before the Hon'ble High Court of Bombay. The last date of hearing in this matter is March 3, 2022.

d. Other pending material litigations filed by the Promoters & Directors of the company

i. Civil Proceedings instituted by the Promoters & Directors of the company

1. Hanskumar Shah and ors. v. Pratik Industrial Premises Co-op Soc Limited [Commercial Suit No. 195 of 2018].

Our Director Mr. Hanskumar Shah (“**Plaintiff 2**”) along with other plaintiff filed a commercial suit against Pratik Industrial Premises along with others (“**Defendants**”) in the High Court of Bombay. The Defendants took unauthorised possession of the Galas/property owned by the Plaintiffs and were earning decent rental income, and further had neglected payment of property tax. Thus, the Plaintiff filed the instant suit praying for (a) a recovery of Rs.17,42,86,659/- (Rupees Seventeen Crore Forty Two Lakhs Eighty Six Thousand Six Hundred Fifty Nine only) being damages and further interest at the rate of 12% per annum, (b) to hold the Defendants liable to handover peaceful possession of their respective units / galas against their names, (c) to declare the warrant of attachment dated December 8, 2016 to be set aside with recovery amount of Rs.70,04,966/- from Defendants in respect of the suit property (d) to recover the property tax amounts as on today Rs.81,17,142/- (Rupees Eighty One Lakh Seventeen Thousand One Hundred Forty Two only) and Water Tax Rs.20,14,549.- (Rupees Twenty Lakh Fourteen Thousand Five Hundred Forty Nine only) from the units / gala owners being Defendants, (e) to restrain the Defendants from carrying out any additions, alterations and/or work of permanent nature and/or be further restrained from sub-dividing the units and galas of the suit property and/or creation of third-party interest., (f) appointment of Court Receiver or any other fit person to realize any amount received by Defendants by way of rent or sale and further be authorized to take possession of the suit galas and units and (g) to restrain Defendants, their assignees and any other person in creating hurdle/obstruction in the suit property. The matter is currently pending before the Hon'ble High Court of Bombay. A notice of motion was filed by the Plaintiffs and the same is pending for final hearing, the last date of hearing in this matter was February 17, 2020.

This matter is currently before Hon'ble High Court of Bombay for hearing of notice of motion and the commercial division matter.

e. Actions by statutory and regulatory authorities against the Promoters & Directors of the company

C. TAX PROCEEDINGS

Nature of Proceedings	Number of cases	Amount involved* (Rs. in lakhs)
<i>Of the company</i>		
Direct Tax (Income Tax)	16	58.85
Indirect Tax	2	359.32 [^]
Total	18	418.17
<i>Of the Promoters and Directors</i>		
<i>Hanskumar Shamji Shah</i>		
Income Tax	1	0.61
Total	1	0.61

**To the extent quantifiable*

[^]Includes contingent liability created by the auditor in respect of Civil Proceedings instituted by the Company M/s Hemant Surgical Industries Limited v. The Commissioner of Customs [C.A No. 6154 – 6155 of 2013] referred above.

D. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

The Board of Directors of our Company considered dues exceeding 5% of our Company's total Trade payables as per Restated financial statements, to small scale undertakings and other creditors as material dues for our Company.

Our Board of Directors considers dues owed by our Company to the creditors exceeding 5% of the Company's trade payables as per the last restated financial statements as material dues for the Company. The trade payables for the financial year ended on March 31, 2023 was Rs. 2,418.75 lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds Rs. 120.94 lakhs. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on January 04, 2023.

Based on these criteria, details of outstanding dues owed as on March 31, 2023 by our Company are set out below:

(₹ In Lakhs)		
Types of creditors	Number of creditors	Amount involved
Material Creditors	4	1945.82
Other Creditors	72	472.93
Total	76	2418.75

The details pertaining to net outstanding dues towards our material creditors as on March 31, 2023 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at <https://www.hemantsurgical.com/>. It is clarified that such details available on our website do not form a part of this Prospectus.

Further, our Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure in relation to amount unpaid together with interest payable has not been furnished. As on March 31, 2023, our Company owes amounts aggregating to Rs 2418.75 lakhs approximately towards 76 trade creditors, which may or may not include small scale undertakings. There are no disputes with such entities in relation to payments to be made to them.

MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 178 of this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.

In view of the approvals listed below, we can undertake this issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India 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. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities. The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.

I. Approvals for the Issue

The following approvals have been obtained or will be obtained in connection with the Issue

Corporate Approvals:

- a. Our Board, pursuant to its resolution dated December 17, 2022 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary;
- b. The shareholders of our Company have, pursuant to their resolution passed at the annual general meeting of our Company held on December 20, 2022 under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue;
- c. Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated May 05, 2023
- d. Our Board approved the Red Herring Prospectus pursuant to its resolution dated May 16, 2023
- e. Our Board approved the Prospectus pursuant to its resolution dated May 30, 2023

Approval from the Stock Exchange:

- f. In-principle approval dated May 15, 2023 from the BSE SME for using the name of the Exchange in the issue documents for listing of the Equity Shares issued by our Company pursuant to the issue.

Agreements with NSDL and CDSL:

- g. The company has entered into an agreement dated November 04, 2022 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
- h. Similarly, the Company has also entered into an agreement dated February 24, 2023 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
- i. ISIN No.: INE0GYI01028

II. Incorporation related Approvals

Sr.No	Nature of Registration/ License	CIN	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Incorporation	U33110MH1989PTC051133	Companies Act, 1956	Registrar of Companies, Maharashtra, Mumbai	March 27, 1989	Valid till cancelled
2.	Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company	U33110MH1989PLC051133	Companies Act, 1956	Registrar of Companies, Maharashtra, Mumbai	February 22, 1994	Valid till Cancelled

III. Tax Related Approvals

Sr. No.	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Act, 1961	Income Tax Department	AAACH2620J	March 27, 1989	Valid until cancelled
2.	Tax Deduction Account Number (TAN)*	Income Tax Act, 1961	Income Tax Department	MUMH06688D	-	Valid until cancelled
3.	Certification of registration of Goods and Service tax	Maharashtra Goods and Services Tax Act, 2017	Deputy Commissioner of State Tax	27AAACH2620J1ZU	July 01, 2017	Valid until cancelled
4.	Professional Tax	Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975	DS Department of Goods and Service Tax Maharashtra 02	27410410178P	November 12, 2010	Valid until cancelled

*TAN certificate not available

IV. General Approvals

Sr. No.	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Importer-Exporter Code.	The Foreign trade (Development and Regulation) Act, 1992	Office of Additional Director General of Foreign Trade, Mumbai	0390024945	August 01, 1997	Valid until cancelled

V. Approvals obtained in relation to business operations of our Company

Our Company requires various approvals and/or licenses to carry on our business. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

- I. **Registered Office:** 502, 5th Floor, EcstasyBusiness Park, Co-Op Society, Limited, J.S.D. Road, Mulund (West), Mumbai – 400 080, India

Sr. No	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Udyam Registration certificate (Hemant Surgical Ind Ltd-Dialysis And Handsanitizer Unit)	MSME Development Act, 2006	Ministry of Micro, Small and Medium Enterprise	UDYAM-MH-18-0071206	June 03, 2021	Valid until cancelled
2.	Udyam Registration certificate (Hemant Surgical Industries Limited Dialysis Division- Type of enterprise- Small)	MSME Development Act, 2006	Ministry of Micro, Small and Medium Enterprise	UDYAM-MH-18-0071197	June 03, 2021	Valid until cancelled
3.	Udyam Registration certificate (Hemant Surgical Industries Limited -Type of enterprise-Medium)	MSME Development Act, 2006	Ministry of Micro, Small and Medium Enterprise	UDYAM-MH-18-0095511	September 11, 2021	Valid until cancelled
4.	Food and Drug licence	Drugs & Cosmetic Act - 1940 & rules there under	Assistant Commissioner Food & Drugs Administration Thane-Zone4 Circle	MH-MZ4-219188	June 22, 2017	June 21, 2027
5.	Food and Drug licence	Drugs & Cosmetic Act - 1940 & rules there under	Assistant Commissioner Food & Drugs Administration Thane-Zone4	MH-MZ4-219189	June 22, 2017	June 21, 2027
6.	Maharashtra Shops and establishment	Maharashtra Shops and establishment Act, 2017	Office of the Chief Facilitator	820224869/ T Ward/ Commercial II	May 19, 2022	Valid till Cancelled

II. **Manufacturing Unit I:** Plot No 21, Achhad Industrial Estate, Village Achhad, Talasari

Sr. No	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Food and Drug licence	Drugs & Cosmetic Act - 1940 & rules there under	Licensing Authority Food & Drugs KONKAN Division, Maharashtra State	25-KD/718	September 30, 2020	October 03, 2025
2.	Factory License	Factory Act, 1948	Assistant Director Industrial Safety and	12900210020H-00	May 26, 2022	December 31, 2025

			Health, Maharashtra, Palaghar			
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III. **Assembly Unit II:** Unit No 4A to 4N, Shree Gopal Krishna Industrial Premises Co-op Society, Mumbai Nashik Highway, Village Atgaon, Taluka Shahpur, Dist Thane, Thane, Maharashtra (India) – 421601

Sr. No	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Licence to Manufacture	Medical Devices Rules, 2017 and conditions prescribed therein.	State Licensing Authority	MFG/MD/2022/000167	April 05, 2022	Valid until cancelled
2.	Factory License	Factory Act, 1948	Deputy Director Industrial Safety and Health, Maharashtra	121702100600H-1	October 04, 2022	December 31, 2026

IV. **Assembly Unit III:** F2 Dharam Square, Gut No. 90/1/13, Gram Panchayat House 2624/ F2, near Krishna Complex, opp. Tata Motors, Mumbai Nasik Road, Village Sonale, Taluka Bhiwandi, District- Thane 421302.

Sr. No	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Udyam Registration certificate	MSME Development Act, 2006	Ministry of Micro, Small and Medium Enterprise	UDYAM-MH-33-0006177	August 26, 2020	Valid until cancelled
2.	Manufacturing License	Medical Devices Rules, 2017 and conditions prescribed therein.	State Licensing Authority	MFG/MD/2021/000100	April 06, 2021	Valid until cancelled

VI. **Labour related Approvals obtained by our Company**

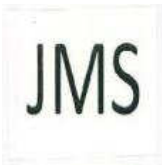



Sr. No.	Description	Applicable Laws	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Registration under ESI	Employees State Insurance Act, 1948	Sub-Regional Office , Employees' State Insurance Corporation	34000462220001099	November 30, 2020	Valid until cancelled
2.	Registration under Employees' Provident Funds	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Regional Office Bandra (Mumbai-I)	MHBAN0041793000	March 25, 2015	Valid until cancelled



VII. **Quality Certifications**




Sr. No.	Description	Nature of Registration	Registration/ Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	ISO 13485:2016	Medical Device Quality Management System	BN19332/19361	BSCIC Certifications Private Limited	May 29, 2021	May 28, 2024
2.	G.M.P Certificate	Good Manufacturing Practices	C16/176/2002/6	Joint Commissioner(Konkan Division) Food and Drug Administration, Maharashtra, Thane	February 26, 2002	Valid until cancelled

VIII.Intellectual Property Related Approval

The details of trademarks/ copyright registered used by our Company are:-

S. No.	Brand Name Logo/ Trademark/ Copyright	Class	Nature of Trademark/ Copyright	Owner	Application Number and Date	Status
1.	Trademark	10	JMS 	Hemant Surgical Industries Ltd.	Application no. 2910549 Dated: February 26, 2015	Registered
2.	Trademark	10	JMS SCALP VEIN INFUSION SET 	Hemant Surgical Industries Limited	Application no. 2928093 Dated: March 24, 2015	Registered
3.	Trademark	10	JMS INFUSION SET STERILE 	Hemant Surgical Industries Limited	Application no. 2928094 Dated: March 24, 2015	Registered
4.	Trademark	10	JMS TRANSFUSION SET 	Hemant Surgical Industries Limited	Application no. 2928095 Dated: March 24, 2015	Registered
5.	Trademark	10	AEROZ	Hemant Surgical	Application No. 2064167	Registered

				Industries Ltd	Dated: December 07, 2010	
6.	Trademark	10	CATHSAFE 	Hemant Surgical Industries Ltd	Application no. 2193935 Dated: August 23, 2011	Registered
7.	Trademark	10	SAFECATH 	Hemant Surgical Industries Ltd	Application No. 2193934 Dated: August 23, 2011	Registered
8.	Trademark	10	DIACLEAN 	Hemant Surgical Industries Ltd	Application No.2277739 Dated: February 06, 2012	Registered
9.	Trademark	10	JOY LIFE	Hemant Surgical Industries Ltd.	Application no. 3838267 Dated: May 21, 2018	Registered
10.	Trademark	10	AERO PLUS 	Hemant Surgical Industries Ltd.	Application no. 2037704 Dated: October 14, 2010	Registered
11.	Trademark	5	DIACLEAN 	Hemant Surgical Industries Ltd.	Application No.2277738 Dated: February 06, 2012	Registered
12.	Trademark	5	 SEPTI-CLEAN	Hemant Surgical Industries Ltd.	Application no. 1413829 dated January 16, 2006	Registered
13.	Trademark	5	SEPTI - CLEAN	Hemant Surgical Industries Ltd.	Application no. 1164653 dated January 7, 2003	Abandoned
14.	Trademark	5		Hemant Surgical Industries Ltd	Application No.2064166 Dated: December 07, 2010	Registered
15.	Trademark	10	AERO	Hemant	Application No.	Abandoned

				Surgical Industries Ltd	1319714 Dated: November 09, 2004	
16.	Trademark	10	JMS Medi-Tape 320 	Hemant Surgical Industries Ltd	Application No. 2735538 Dated: May 12, 2014	Abandoned
17.	Copyright	Artistic Work	JMS SCALP VEIN INFUSION SET 	Hemant Surgical Industries Ltd	A-133855 Dated May 21, 2020	Registered
18.	Copyright	Artistic Work	JMS TRANSFUSION SET 	Hemant Surgical Industries Ltd	A-133853 Dated May 21, 2020	Registered

IX. Pending Approvals

1. Application (UAN No.: MPCB-CONSENT-0000157480) dated December 28, 2022 for renewal of consent to operate under Maharashtra Pollution Control Board for Assembly Unit II situated at Unit No. 4A To 4N, Shree Sai Gopal Krishna Estate, Oop. Atgaon Railway Station, Atgaon which is pending for approval. The said units were taken on lease vide three different lease agreements for each set of units and the erstwhile consent from pollution control board was provided separately for each set of units. These consents have currently expired and as on date of the Prospectus, new consolidated application for all the units together has been made.
2. Application (UAN No.: MPCB-CONSENT-0000158261) dated January 04, 2023 for renewal of consent to operate under Maharashtra Pollution Control Board for Manufacturing Unit I situated at Plot No.21, Achhad Industrial Estate, Tal-Talsari, Dist- Palghar.
3. Application dated March 04, 2023 for grant of licence of a factory for Assembly Unit III situated at F2 Dharam Square, Gut No. 90/1/13, Gram Panchayat House 2624/ F2, near Krishna Complex, opp. Tata Motors, Mumbai Nashik Road, Village Sonale, Taluka Bhiwandi, District- Thane 421302.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “group companies”, includes (i) companies (other than promoter(s) and subsidiary(ies)) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Further, pursuant to the Board resolution passed by our company dated January 04, 2023 for the adoption of the Materiality Policy for identification of the Group company, a company shall be considered material and shall be disclosed as a Group Company in this Prospectus if:

- (i) such company that forms a part of the Promoter Group of our Company in terms of Regulations 2(1) (pp) of the SEBI (ICDR) Regulations; and
- (ii) Our Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10.00% of total revenue of the Company as per Restated Financials Statements.

Based on the above, the following Companies are identified as our Group Companies: -

- i. Ikigai Services Private Limited
- ii. Lifesenz Cancer Research Labs Private Limited
- iii. Diaso Diagnostics LLP

Details of our Group Companies:

1. Ikigai Services Private Limited

Ikigai Services Private Limited was incorporated on March 08, 2021 as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Central Registration Centre.

CIN	U51909MH2021PTC356544
PAN	AAGCI0534A
Registered Office	502, Ecstasy Business Park CHS. LTD. J.S.D. ROAD, Mulund West Mumbai City Maharashtra- 400080, India.

2. Lifesenz Cancer Research Labs Private Limited

Lifesenz Cancer Research Labs Private Limited was incorporated on March 01, 2022 as a Private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Central Registration Centre.

CIN	U74999MH2022PTC377707
PAN	AAECL9376R
Registered Office	502, Ecstasy Business Park CHS LTD., J.S.D. ROAD, Mulund (West), Mumbai City, Maharashtra, India- 400080.

3. Diaso Diagnostics LLP

Diaso Diagnostics LLP was incorporated on March 11, 2019 as a Limited Liability Partnership under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Central Registration Centre.

LLPIN	AAO-4955
PAN	AAPFD8783Q
Registered Office	Off. No 502, 6th Floor, Ecstasy, City Of Joy Commercial, Jsd Road, Mulund (West) Na Mumbai Mumbai City Maharashtra 400080

Financial Information

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, basic earnings per share, diluted earnings per share and Net Asset Value, derived from the latest audited financial statements available on a standalone basis of our group companies are available on the website of our company at <https://www.hemantsurgical.com/>

It is clarified that such details available on our group companies' websites do not form a part of this Prospectus. Anyone placing reliance on any other source of information, including our Group Companies' website, as mentioned above, would be doing so at their own risk.

Litigations

Our Group Companies does not have any pending litigation which can have a material impact on our Company.

Common pursuits among Group Companies

Diaso Diagnostics LLP and Ikigai Services Private Limited are engaged in the business of trading, importing, exporting, buying, selling, supplying, packaging and dealing in medical and diagnostic items and equipments which is similar line of business as of our Company. Our Company will ensure necessary procedures and practices as permitted by laws and regulatory guidelines to address situations of conflict of interest as and when they arise. For further details, see "**Risk Factor**" on page 24.

Nature and extent of interest of our Group Companies

a) Interest in the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

b) Interest in the property acquired or proposed to be acquired by the Company

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c) Interest in transactions for acquisition of land, construction of building, or supply of machinery

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

Related business transactions and their significance on the financial performance of our Company

Other than the transactions disclosed in the section "**Financial Information –Related Party Transactions**" on page 165, there are no related business transactions between the Group Companies and our Company.

Business interest of our Group Companies in our Company

Except as disclosed in the section "**Financial Information –Related Party Transactions**" and "**History and Corporate Structure**" on page 165 and page 115, our Group Companies have no business interests in our Company.

Other confirmations

- a) None of the above-mentioned Group Companies has made any public and/ or rights issue of securities in the preceding three years.
- b) None of the above-mentioned Group Companies are in defaults in meeting any Statutory/ bank/ institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies.

- c) Our Group Companies has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

Undertaking/ Confirmationsby our Group Companies

None of our Promoters or Promoter Group or Group companies or person in control of our Company has been:

- i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any 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 our Promoters, person in control of our Company have 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 or any other authority.

Further, neither our Promoters, the relatives of our individual Promoter (as defined under the Companies Act) nor our Group companies /Promoter Group entities have been declared as a willful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

The information as required by the SEBI ICDR Regulations with regards to the Group companies, are also available on the website of our company i.e., <https://www.hemantsurgical.com/>

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

Our Board has approved the Issue pursuant to the resolution passed at its meeting held on December 17, 2022 and our Shareholders have approved the Fresh Issue pursuant to the resolution passed at their Extra Ordinary General Meeting held on December 20, 2022 under Section 62(1) (c) of the Companies Act, 2013.

In-principal Approval

Our Company has obtained in-principal approval from the SME Platform of BSE (BSE SME) for using its name in this Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus pursuant to an approval letter dated May 15, 2023 BSE which is the Designated Stock Exchange.

Prohibition by SEBI, RBI or governmental authorities

We confirm that our Company, our Promoters, our Promoter Group, our directors, person(s) in control of the promoter, our Group Companies or the natural person(s) in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court.

The companies, with which our directors are or were associated as promoter, directors or persons in control are not prohibited or debarred from accessing capital markets under any order or direction passed by SEBI or any other regulatory authority.

None of our Directors or the entities that our directors are associated with as promoters or directors is in any manner associated with the securities market and there has been no action taken by the SEBI against our Directors or any entity in which our directors are associated with as promoters or directors.

Prohibition with respect to willful defaulters

Neither our Company, our Promoters, our Directors, Group Companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as willful defaulters as defined by the SEBI ICDR Regulations, 2018.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Under the SBO Rules certain persons who are 'Significant Beneficial Owners', are required to intimate their beneficial holdings to our Company in Form no. BEN-1. As on date of Prospectus, there are no such significant beneficial owners in our Company.

Eligibility for the Issue

Our Company is eligible in terms of Regulations 230 of SEBI (ICDR) Regulations for this issue.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this issue is an Initial Public Offer in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is more than ten crores rupees and upto twenty-five crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange {in this case being the "SME Platform of BSE (BSE SME)"}.

We confirm that:

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the BRLM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "**General Information** – Underwriting" beginning on page 44 of this Prospectus.

2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or Equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus.
4. In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we will enter into an agreement with the Book Running Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE (BSE SME). For further details of the arrangement of market making please refer to section titled "**General Information** – Details of the Market Making Arrangements for this Issue" beginning on page 44 of this Prospectus.

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 Stock Exchange.

- 1) Our Company shall mandatorily facilitate trading in Demat securities and has entered into agreement with both the depositories.
- 2) Our Company has a website i.e., <https://www.hemantsurgical.com/>

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of BSE (BSE SME): -

There has been no change in the promoters of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE (BSE SME): -

Our company started its operations with importing and marketing of medical disposables like: meditapes, all over India from reputed multinational companies like JMS Co. Japan. Later in the year 1999 our company started its manufacturing operations with one manufacturing unit and over the years expanded its manufacturing and assembly operations to two more additional units as under:

- i. Manufacturing Unit I situated at Achad Industrial Estate – where we first started our operations in 1999 and are currently manufacturing products like : Dialysis solution (liquid and Powder) used in dialysis, Hot and Cold Sterilant used for cleaning dialyzer, Purified water used in rinsing and cleaning of dialysis machines and sanitizer.
 - ii. Assembly Unit II situated at Atgaon - for assembly of various medical devices like: Nebulizers, Oxygen Concentrator, Air Mattress, Digital Thermometer, Pulse Oximeters, ECG Electrodes, Dialyzer which are sold under the Brand Name “AERO”. Silicon Foley catheters imported from China which are further processed and sold under the Brand name “Safecath” and for assembly of new and refurbished dialysis machines imported from China, France and Australia, Meditapes imported from JMS Co. Ltd., Japan.
 - iii. Assembly Unit III situated at Bhiwandi – for assembly of products like: Intravenous Infusion Set, ECG Machines, Ultrasound Machines, Paramonitor, Ventilator etc.
- 1) The post issue paid up capital of the company will be 1,04,40,000 shares of face value of Rs.10/- aggregating up to Rs. 104.40 lakhs which is less than Rs. 25 Crores.

- 2) The Company and the proprietorship have a combined track record of atleast 3 years as on the date of filling Prospectus.
- 3) The company and the proprietorship firm have been funded by Banks and financial Institutions.
- 4) The Company confirms that it has positive cash accruals (earnings before depreciation and tax) for at least 2 financial years out of the last three financial years and its net-worth as on March 31, 2023 is positive.

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Cash Accruals	399.48	686.05	215.47
Net Worth	1,848.95	1,298.01	836.61
Net Tangible Assets	6490.79	5437.59	4289.84

- 5) Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the Company;
- 6) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);
- 7) There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
- 8) No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
- 9) The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT/ OFFER DOCUMENT 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 THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MAY 05, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ICDR), REGULATION 2018.

The filing of this Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and/ or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the BRLM any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Prospectus with the Registrar of Companies, Mumbai in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Hem Securities Limited:

Sr. No.	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180 th calendar days from listing
1.	Silicon Rental Solutions Limited	21.15	78.00	October 10, 2022	80.00	39.74% [5.25%]	96.79% [4.75%]	92.69% [3.20%]
2.	Concord Control Systems Limited	8.32	55.00	October 10, 2022	109.95	248.82% [5.25%]	314.55% [4.75%]	739.29% [3.20%]
3.	Lloyds Luxuries Limited	24.00	40.00	October 11, 2022	45.15	25.63% [6.15%]	29.75% [6.58%]	-44.87% [3.77%]
4.	Vedant Asset Limited	3.00	40.00	October 12, 2022	65.00	44.25% [5.91%]	37.50% [4.32%]	-1.82% [3.85%]
5.	Baheti Recycling Industries Limited	12.42	45.00	December 08, 2022	120.00	174.67% [-2.73%]	107.78% [4.82%]	N.A.
6.	Chaman Metallics Limited	24.21	38.00	January 16, 2023	68.00	44.47% [0.68%]	19.74% [-1.05%]	N.A.
7.	Earthstahl & Alloys Limited	12.96	40.00	February 08, 2023	55.00	22.50% [1.41%]	45.83% [1.81%]	N.A.
8.	Macfos Limited	23.75	102.00	March 01, 2023	184.00	69.61% [0.71%]	N.A.	N.A.
9.	Systango Technologies Limited	34.82	90.00	March 15, 2023	98.00	110.56% [5.00%]	N.A.	N.A.
10.	Labelkraft Technologies Limited	4.75	55.00	March 23, 2023	56.00	0.27% [3.68%]	N.A.	N.A.

Source: Price Information www.bseindia.com & www.nseindia.com , Issue Information from respective Prospectus.

The scrip of Baheti Recycling Industries Limited, Chaman Metallics Limited and Earthstahl & Alloys Limited has not completed its 180th day from the date of listing Macfos Limited, Systango Technologies Limited and Labelkraft Technologies Limited has not completed its 90th day from the date of listing.

Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs at discount-calendar days from listing			No. of IPOs at Premium-calendar days from listing			No. of IPOs at discount-calendar days from listing			No. of IPOs at Premium-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%
2020-21	2 ⁽¹⁾	17.02	-	-	-	-	-	2	-	-	-	1	-	1
2021-22	6 ⁽²⁾	130.40	-	-	-	4	-	2	-	-	-	6	-	-
2022-23	15 ⁽³⁾	220.57	-	-	-	6	5	4	-	-	-	6	-	3

- 1) *The scrip of Suratwala Business Group Limited and Knowledge Marine & Engineering Works Limited was listed on August 13, 2020 and March 22, 2021 respectively.*
- 2) *The scrip of EKI Energy Services Limited, DU Digital Technologies Limited, Prevest Denpro Limited, Jainam Ferro Alloys (I) Limited, Shri Venkatesh Refineries Ltd. and KN Agri Resources Limited was listed on April 7, 2021, August 26, 2021, September 27, 2021, October 08, 2021, October 11, 2021 and March 28, 2022 respectively; and.*
- 3) *The scrip of Krishna Defence and Allied Industries Limited was listed on April 6, 2022; Eighty Jewellers Limited was listed on April 13, 2022; Kesar India Limited was listed on July 12, 2022; Silicon Rental Solutions Limited was listed on October 10, 2022; Cargosol Logistics Limited was listed on October 10, 2022; Cargotrans Maritime Limited was listed on October 10, 2022; Concord Control Systems Limited was listed on October 10, 2022; Lloyds Luxuries Limited was listed on October 11, 2022; Vedant Asset Limited was listed on October 12, 2022; Baheti Recycling Industries Limited was listed on December 08, 2022; Chaman Metallics Limited was listed on January 16, 2023; Earthstahl & Alloys Limited was listed on February 08, 2023; Macfos Limited was listed on March 01, 2023; Systango Technologies Limited was listed on March 15, 2023 and Labelkraft Technologies Limited was listed on March 23, 2023.*

Note:

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) In case 30th /90th /180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- e) In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.
- f) N.A. – Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the Book Running Lead manager. Hence, disclosures pertaining to recent 10 issues handled by Book Running lead manager are provided.

Track Record of past issues handled by Hem Securities Limited

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: www.hemsecurities.com.

Disclaimer from our Company and the Book Running Lead Manager

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in the advertisements or any other material issued by or at

the instance of the Company and anyone placing reliance on any other source of information would be doing so at their own risk.

The LM accept no responsibility, save to the limited extent as provided in the Agreement entered between the BRLM (Hem securities Limited), and our Company on May 05, 2023 and the Underwriting Agreement dated May 05, 2023 entered into between the Underwriter, and our Company and the Market Making Agreement dated May 05, 2023 entered into among the Market Maker and our Company.

All information shall be made available by our Company, and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Companies, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, and our affiliates or associates for which they have received and may in future receive compensation.

Note

Investors who apply in the 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 of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriter and their respective Directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Offer.

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 majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹2,500.00 Lakhs and pension funds with a minimum corpus of ₹2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity 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 Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Mumbai, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the SME Platform of BSE:

BSE Limited ("BSE") has vide its letter dated May 15, 2023, given permission to "Hemant Surgical Industries Limited" to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform ("SME platform") the Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE 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 Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, 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 BSE. 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 BSE 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. BSE 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 SME 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 BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulations under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulations of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

The Prospectus is being filed with BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 Maharashtra, India.

The Draft Red Herring Prospectus was not filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of

SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus shall be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 was filed with the RoC, and a copy of this Prospectus shall be filed with the RoC as required under Sections 26 and 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

Listing

The Equity Shares of our Company are proposed to be listed on BSE SME. Our Company has obtained in-principal approval from BSE Limited by way of its letter dated May 15, 2023 for listing of equity shares on SME Platform of BSE (BSE SME).

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within the prescribed time, then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE (BSE SME) mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- i. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- ii. 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
- iii. 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 to action under section 447 of the Companies Act, 2013.

Consents

Consents in writing of Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Banker to the Company, Book Running Lead Manager, Registrar to the Issue, Banker to the Issue, Syndicate Member, Legal Advisor to the Issue, Sponsor Bank, Underwriter to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under section 26 and 32 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents has not been withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, 2018, M/s. A D V & Associates, Statutory Auditor of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

Experts Opinion

Except for the reports in the section titled “*Restated Financial Statements*” and “*Statement of Tax Benefits*” on page 136 and 81 respectively of this Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1933.

Fees, Brokerage and Selling Commission payable

The total fees payable to the Book Running Lead Manager will be as per the (i) Agreement dated May 05, 2023 with the Book Running Lead Manager, (ii) the Underwriting Agreement dated May 05, 2023 with the Underwriter and (iii) the Market Making Agreement May 05, 2023 with the Market Maker, a copy of which is available for inspection at our Corporate Office from 10.00 am to 5.00 pm on Working Days from the date of the Prospectus until the Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company, and the Registrar to the Issue dated May 05, 2023, a copy of which is available for inspection at our Company’s Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to the section titled “*Capital Structure*” beginning on page 52 of this Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Previous capital issue during the last three years by listed Group Companies of our Company

None of our Group Companies are listed. Further, none of our Group Companies have made any capital issue of securities in the preceding three years.

Performance vis-à-vis objects

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

Partly Paid-Up Shares

As on the date of this Prospectus, there are no partly paid-up Equity Shares of our Company.

Outstanding Convertible Instruments

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

Option to Subscribe

- a. Investors will get the allotment of specified securities in dematerialization form only.
- b. The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

Stock Market Data for our Equity Shares

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

Investor Grievances and Redressal System

The agreement between the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and Demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of this Prospectus. Since there are no investor complaints received, none are pending as on the date of filing of this Prospectus.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Application Form was submitted, quoting the full name of the sole or first Applicant, Application Form number, Applicants’ DP ID, Client ID, PAN, address of the Applicant, number of Equity Shares applied for, date of Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, BRLM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be within 15 Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Meenal Ajmera, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Meenal Ajmera

Hemant Surgical Industries Limited

Address: 502, 5th Floor, Ecstasy Business Park, Co-Op Society, Limited,
J.S.D. Road, Mulund (West),
Mumbai – 400 080, India

Tel. No.: 022-25915289/ 022-25912747

Email: cs@hemantsurgical.com

Website: www.hemantsurgical.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in.

Our Board by a resolution on January 04, 2023 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled "*Our Management*" beginning on page 119 of this Prospectus.

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

Tax Implications

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled "*Statement of Tax Benefits*" beginning on page 81.

Capitalization of Reserves or Profits

Save and except as stated in "*Capital Structure*" on page 52 of this Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

Revaluation of assets

For details of revaluation of assets refer chapter "*History and Corporate Structure*" and "*Financial Information of the Company*" of the company beginning on page 115 and 136.

Servicing Behavior

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or super annuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled "*Our Management*"; and "*Related Party Transactions*" beginning on page 119 and 165 respectively, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

SECTION VIII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, 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 GoI, the Stock Exchange, the RoC, the RBI and/ or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/ or any other authorities while granting its approval for the Issue.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, 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, SEBI has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by retail individual investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors (“UPI Phase III”), as may be prescribed by SEBI.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

Authority for the Issue

The present Public Issue of 27,60,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on December 17, 2022 and was approved by the Shareholders of the Company by passing Special Resolution at the Extraordinary General Meeting held on December 20, 2022 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, “**Main Provisions of Article of Association**”, beginning on page 247 of this Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI Listing Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled “*Dividend Policy*” and “*Main Provisions of Article of Association*” beginning on page 135 and 247 respectively of this Prospectus.

Face Value and Issue Price

The face value of each Equity Share is ₹ 10.00 and the Issue Price at the lower end of the Price Band is ₹ 85/- per Equity Share (“Floor Price”) and at the higher end of the Price Band is ₹ 90/- per Equity Share (“Cap Price”). The Anchor Investor Issue Price is ₹ 90/- per Equity Share.

The Price Band and the minimum Bid Lot size was decided by our Company in consultation with the BRLM, has been advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of Business Standard, an English national daily newspaper and all editions of Business Standard, a Hindi national daily newspaper and Marathi edition of Pratahkal, a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its 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 on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of 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.

ICDR Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy;
- e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- g) Right of free transferability of the Equity Shares; and
- h) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI Listing Regulations, MOA and AOA of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled “*Main Provisions of the Articles of Association*” beginning on page 247 of this Prospectus.

Allotment only in Dematerialized Form

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must 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. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated February 24, 2023 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated November 04, 2022 between CDSL, our Company and Registrar to the Issue.

Minimum Application Value, Market Lot and Trading Lot

The trading of the Equity Shares will happen in the minimum contract size of 1,600 Equity Shares and the same may be modified by the BSE SME (SME platform of BSE) 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 1,600 Equity Shares is subject to a minimum allotment of 1,600 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

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 four (4) working days of closure of Issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S Securities Act, 1933 or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the U.S. Securities Act, 1933 and the applicable laws of the jurisdictions where those offers and sales occur.

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

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.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she

would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in 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 of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Corporate Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Subscription List of Public Issue

Event	Indicative Dates
Bid/ Issue Opened Date	Wednesday, May 24, 2023
Bid/ Issue Closed Date	Friday, May 26, 2023
Finalization of Basis of Allotment with the Designated Stock Exchange	Wednesday, May 31, 2023
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account*	On or about Thursday, June 01, 2023
Credit of Equity Shares to Demat Accounts of Allottees	On or about Friday, June 02, 2023
Commencement of Trading of The Equity Shares on the Stock Exchange	On or about Monday, June 05, 2023

**In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, 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 BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on 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.

Application Forms and any revisions to the same were accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid-Cum-Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Minimum Subscription and Underwriting

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “**General Information - Underwriting**” on page 44 of this 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.

Migration to Main Board

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above Rs. 25.00 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board. Or

If the Paid-up Capital of the company is more than Rs. 10 crores but below Rs. 25 crores and if the company fulfills the eligibility criteria for listing laid down by the main board, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this Issue are proposed to be listed on the SME Platform of BSE (BSE SME), wherein the BRLM to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of BSE.

For further details of the agreement entered into between the Company the BRLM and the Market Maker please refer to section titled “*General Information - Details of the Market Making Arrangements for this Issue*” on page 44 of this Prospectus.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of 1,600 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE Ltd.

As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue:

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Allotment of Equity Shares in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the Pre- Issue Equity Shares and Promoters minimum contribution in the Issue as detailed under section titled “*Capital Structure*” beginning on page 52 of this Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled “*Main Provisions of the Articles of Association*” beginning on page 247 of this Prospectus.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company, after filing the Red Herring Prospectus with the RoC published a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) 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 where the Registered Office of our Company is situated.

In the pre-Issue advertisement, we stated 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 Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, was in the format prescribed in Part A of Schedule X of the SEBI Regulations.

Allotment Advertisement:

Our Company, the BRLM and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of the English national newspaper i.e. Business Standard, all editions of Hindi national newspaper i.e. Business Standard and Marathi Edition of Regional newspaper i.e. Pratahkal with wide circulation where our Registered office is located.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-issue advertisements were published, within two days of the Bid/ Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The BRLM through, the Registrar of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one 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 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 BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

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 paid up capital is more than ten crore 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 BSE SME i.e. SME platform of BSE). 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 214 and 224 of this Prospectus.

Issue Structure:

Initial Public Issue of 27,60,000 Equity Shares of ₹10 each (*the “Equity Shares”*) for cash at a price of ₹ 90/- per Equity Share (including a Share Premium of ₹ 80/- per Equity Share), aggregating up to ₹ 2,484.00 Lakhs (*“the Issue”*) by the issuer Company (*the “Company”*).

The Issue comprises a reservation of 1,44,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker (*“the Market Maker Reservation Portion”*) and Net Issue to Public of 26,16,000 Equity Shares of ₹ 10 each (*“the Net Issue”*). The Issue and the Net Issue will constitute 26.44% and 25.06%, 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	1,44,000 Equity Shares	Not more than 13,05,600 Equity Shares	Not less than 3,93,600* Equity Shares	Not less than 9,16,800 Equity Shares
Percentage of Issue Size available for allocation	5.22% of the Issue Size	Not more than 50% of the Net Issue	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) 5,23,200 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, (b) 7,82,400 Equity Shares were allocated on a discretionary basis to Anchor Investors.	Proportionate basis subject to minimum allotment of 1600 Equity Shares and further allotment in multiples of 1600 Equity Shares	Proportionate basis subject to minimum allotment of 1600 Equity Shares
Mode of Allotment	Compulsorily in dematerialized form.			
Minimum Bid Size	1,44,000 Equity Shares	Such number of Equity Shares and in multiples of 1,600 Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of 1,600 Equity Shares that the Bid Amount exceeds ₹200,000	1,600 Equity Shares
Maximum Bid Size	1,44,000 Equity Shares	Such number of Equity Shares in multiples of 1,600	Such number of Equity Shares in multiples of 1,600	Such number of Equity Shares in multiples of 1,600

Particulars of the Issue ⁽²⁾	Market Maker Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
		Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Equity Shares so that the Bid Amount does not exceed ₹200,000
Trading Lot	1,600 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	1,600 Equity Shares and in multiples thereof	1,600 Equity Shares and in multiples thereof	1,600 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

* Subject to finalization of basis of allotment

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, in consultation with the Book Running Lead Managers, allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations.
- (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 was 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 224 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.

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. In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, and in such case 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 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) the filing of Prospectus with RoC.

Issue Program

Event	Indicative Dates
Bid/ Issue Opened Date	Wednesday, May 24, 2023
Bid/ Issue Closed Date	Friday, May 26, 2023
Finalization of Basis of Allotment with the Designated Stock Exchange	Wednesday, May 31, 2023
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about Thursday, June 01, 2023
Credit of Equity Shares to Demat accounts of Allottees	On or about Friday, June 02, 2023
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Monday, June 05, 2023

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

ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Bidders may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Bidders eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for Bidders applying through ASBA process and Retail Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“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 Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

With effect from July 1, 2019, with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Prospectus. Bidders are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

This section applies to all the Bidders, please note that all the Bidders are required to make payment of the Full Application Amount along with the Bid Cum Application Form.

Phased implementation of Unified Payments Interface

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the “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 RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

Phase I: This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

PART A

Book Building Procedure

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual

Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form was also available for download on the websites of the BSE, at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- ii. RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

Anchor Investors were not permitted to participate in the Offer through the ASBA process.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	White
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

**Excluding Electronic Bid cum Application Form*

*** Bid cum application form for Anchor Investor was made available at the Office of the BRLM.*

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs captured and uploaded the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated 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(s).

Bidders only used the specified Bid Cum Application Form for making an Application in terms of the Prospectus.

The Bid Cum Application Form contained information about the Bidder and the price and the number of Equity Shares that the Bidders wished to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders were required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, submitted a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries’)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, were also required to enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, gave 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.

The upload of the details in the electronic bidding system of stock exchange was done by:

For Applications submitted by Investors to SCSB	After accepting the form, SCSB captured and uploaded the relevant details in the electronic bidding system as specified by the stock exchange and began blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs	After accepting the Bid Cum Application Form, respective Intermediary captured and uploaded the relevant details in the electronic bidding system of the stock exchange. Post uploading, they forwarded a schedule as per prescribed format along with the Bid Cum 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 captured and uploaded the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shared 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 initiated 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 validated 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 allowed 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 authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Bidders.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Book Running Lead Managers in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

Participation by Promoters and members of the Promoter Group of our Company, the Book Running Lead Manager and the Syndicate Members

The Book Running Lead Managers and the Syndicate Member were not allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Managers and the Syndicate Member could Bid for Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion as was applicable to such Bidders, where the allocation is on a proportionate basis and such subscription could be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Book Running Lead Managers and Syndicate Member, were required to be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Managers nor any associates of the Book Running Lead Managers could apply in the Issue under the Anchor Investor Portion:

- I. mutual funds sponsored by entities which are associate of the Book Running Lead Managers;
- II. insurance companies promoted by entities which are associate of the Book Running Lead Managers;
- III. AIFs sponsored by the entities which are associate of the Book Running Lead Managers; or
- IV. FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the Book Running Lead Managers.

Further, persons related to our Promoters and Promoter Group did not apply in the Issue under the Anchor Investor Portion.

- I. rights under a shareholders' agreement or voting agreement entered into with our Promoters or Promoter Group;
- II. veto rights; or
- III. right to appoint any nominee director on the Board.

Further, an Anchor Investor was deemed to be an associate of the Book Running Lead Managers, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the Book Running Lead Managers.

Option to Subscribe in the Issue

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders

The relevant Designated Intermediary could enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It was the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she was required to surrender the earlier Acknowledgement Slip and request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Book Running Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus and this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges

BIDS BY ANCHOR INVESTORS:

Our Company in consultation with the BRLM, has considered participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200.00 lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to ₹ 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than ₹ 200.00 Lakhs but upto ₹ 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than ₹ 2500.00 Lakhs:(i)minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹ 2500.00 Lakhs; and (ii) an

additional 10 Anchor Investors for every additional allocation of ₹ 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor.

- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

BIDS BY ELIGIBLE NRI'S:

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

BIDS BY FPI INCLUDING FII'S:

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated

depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

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 BRLM will not be responsible for loss, if any, incurred by the Bidder on account of

conversion of foreign currency.

There was no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders were treated on the same basis with other categories for the purpose of allocation.

BIDS BY HUFs:

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.

BIDS BY MUTUAL FUNDS:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum 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 Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY SYSTEMATICALLY IMPORTANT NON BANKING FINANCIAL COMPANIES:

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

BIDS BY LIMITED LIABILITY PARTNERSHIPS:

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES:

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10% of the investee company's subscribed capital (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;

- 2) 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
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY:

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 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 along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids 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 along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
- e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.

BIDS BY PROVIDENT FUNDS / PENSION FUNDS:

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY:

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the “Banking Regulation Act”), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks’ own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paidup share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks’ interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company’s paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSB’S:

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum 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 Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

Issue 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 had to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager were not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Bidders were 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 were 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 Issue price of ₹ 90/- 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 Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the 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 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 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

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, decided the list of Anchor Investors to whom the CAN was sent, pursuant to which the details of the Equity Shares allocated to them in their respective names was notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account was drawn in favour of:

- a. In case of resident Anchor Investors: — “Hemant Surgical Industries Limited IPO – Anchor Account- R”
- b. In case of Non-Resident Anchor Investors: — “Hemant Surgical Industries Limited IPO – Anchor Account-NR”
- c. Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

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/ Issue 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/ Issue Period.

Withdrawal of Bids

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue 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.
- b) The Registrar to the Issue 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.

Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC

- a) Our company has entered into an Underwriting Agreement dated May 05, 2023
- b) A copy of Red Herring Prospectus was filed with the RoC and copy of Prospectus will be filed 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, our Company has, after registering the Red Herring Prospectus with the ROC, published a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue advertisement, we stated the Bid 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 ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, was in the format prescribed in Part A of Schedule X of the SEBI Regulations.

GENERAL INSTRUCTIONS:

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/Issue period and withdraw their Bids until Bid/issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

Do's:

1. Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. 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;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the 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;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum 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);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. 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 IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. 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;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum 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 Bid cum 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 Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;

9. Do not Bid for a Bid Amount exceed Rs. 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Issue through the Issue document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the net Issue to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Investor Grievance

In case of any pre-issue or post issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

GROUND OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;

- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Prospectus;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the Prospectus;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

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 Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Prospectus. For details in relation to allocation, the Bidder may refer to the Prospectus.
- 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 issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the Prospectus.

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 Prospectus. 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. However, in case the Issue 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 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 9,16,800 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 9,16,800 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of 1600 Equity Shares and in multiples of 1,600 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 QIBs and 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 3,93,600 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 3,93,600 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of 1600 Equity Shares and in multiples of 1,600 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. For QIBs

Not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.

In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price.

Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) 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 may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

a) In the first instance allocation to Mutual Funds for 5% of the Net QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds 5% of the Net QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price;

Issuance of Allotment Advice

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) 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 issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue 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 4 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

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 BSE SME where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
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.

Right to Reject Applications

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

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

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
- 3) 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;

- 4) 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 Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That our Promoter 's contribution in full has already been brought in;
- 6) That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
- 7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- 8) If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 10) If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

Utilization of Issue Proceeds

The Board of Directors of our Company 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 sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing 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) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite Agreement dated February 24, 2023 between NSDL, the Company and the Registrar to the Issue;
- b) Tripartite Agreement dated November 04, 2022 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. INE0GYI01028

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "FDI Policy"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future 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. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 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. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments,

direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Offer in any member State of the European Economic Area which has implemented the Prospectus Directive except for

any such Issue made under exemptions available under the Prospectus Directive, provided that no such Issue shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.

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

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION IX

MAIN PROVISIONS OF 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 relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

The following regulations comprised in these Articles of Associations were adopted pursuant to members resolution passed at the Extra Ordinary General Meeting held on April 13, 2022 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Associations of the Company.

INTERPRETATION

1. In these Articles unless there be something in the subject matter or context inconsistent therewith:
 - i. **“The Act”** means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.
 - ii. **“Articles”** means Articles of Association of the Company as originally framed or altered from time to time
 - iii. **“Beneficial Owner”** shall have the meaning assigned thereto by Section 2(1)(a) of the Depositories Act, 1996.
 - iv. **“Board” or “Board of Director”** means the Collective body of the Board of Directors of the Company.
 - v. **“Chairman”** means the Chairman of the Board of the Directors of the Company.
 - vi. **“The Company”** means Hemant Surgical Industries Limited
 - vii. **“Depositories Act, 1996”** shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.
 - viii. **“Depository”** shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.
 - ix. **“Directors”** mean the Directors for the time being of the Company.
 - x. **“Dividend”** includes any interim dividend.
 - xi. **“Document”** means a document as defined in Section 2 (36) of the Companies Act, 2013.
 - xii. **“Equity Share Capital”**, with reference to any Company limited by shares, means all share capital which is not preference share capital;
 - xiii. **“KMP”** means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.
 - xiv. **“Managing Director”** means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.
 - xv. **“Month”** means Calendar month.
 - xvi. **“Office”** means the registered office for the time being of the Company.
 - xvii. **“Paid-up share capital”** or “share capital paid-up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called;
 - xviii. **“Postal Ballot”** means voting by post or through any electronic mode.
 - xix. **“Proxy”** includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.
 - xx. **“Public Holiday”** means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.
 - xxi. **“Registrar”** means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various functions under this Act.
 - xxii. **“Rules”** means the applicable rules as prescribed under the relevant sections of the Act for time being in force.
 - xxiii. **“SEBI”** means Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.

- xxiv. **“Securities”** means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)
- xxv. **“Share”** means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.
- xxvi. **“Seal”** means the common seal of the Company.
- xxvii. **“Preference Share Capital”**, with reference to any Company limited by shares, means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to—
- (a) payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and
 - (b) repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company;

Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa.

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

‘In writing’ and ‘written’ includes printing, lithography and other modes of representing or reproducing words in a visible form.

Share Capital

2. The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.
3. 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 provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.

Issue of Sweat Equity Shares

4. Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.

Issue of Debentures

5. The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.

Issue of Share Certificates

6.
 - i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the

memorandum or after allotment or within fifteen days (15) of the application for registration of transfer of transmission or within such other period as the conditions of issue shall be provided,—

- a. one certificate for all his shares without payment of any charges; or
 - b. several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first.
- ii. The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;
 - iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
 - iv. 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.
7. 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.
8. 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.
9. The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company.

Power to pay Commission In connection with the Securities issued

- 10.
- i. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
 - ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
 - iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

Variations of Shareholder's rights

- 11.
- i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
 - ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

12. 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.

Issue of Preference Shares

13. Subject to the provisions of section 55 and 62, any preference shares may with the sanction of Special 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.

Further Issue of shares

14. (1) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:

- (a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.
- (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.
- (c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), 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 relevant rules of Section 62.

- (2) The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.

- (3) Nothing in this Article shall apply to the increase of the subscribed capital of 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.

Lien

- 15.
- i. The Company shall have a first and paramount lien—
 - a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company;
 - c. Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- ii. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

16. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—

- a. unless a sum in respect of which the lien exists is presently payable; or

- b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
- 17.
- i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
 - ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
 - iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 18.
- i. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
 - ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Joint Holdings

19. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles:-
- a) The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share.
 - b) The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
 - c) On the death of any such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
 - d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.
 - e) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate, if any, relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders.
 - f)
 - (i) Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares.
 - (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Clause be deemed as Joint-Holders.
 - g) The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the company registered in Joint-names.

Calls on shares

- 20.
- i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call.

- ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
 - iii. A call may be revoked or postponed at the discretion of the Board.
21. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
22. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 23.
- i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
 - ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 24.
- i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
 - ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture
 - iii. or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
25. The Board—
- i. 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
 - ii. 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.
26. Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up.

Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.

27. The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.
28. The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.

Transfer of shares

- 29.
- i. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.
 - ii. Each share in the Company shall be distinguished by its appropriate number.
 - iii. A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.
- 30.
- i. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

- ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
31. The Board may, subject to the right of appeal conferred by section 58 of Companies Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act, 1956, decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act-
- i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - ii. any transfer of shares on which the Company has a lien.
 - iii. Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.
32. The Board shall decline to recognise any instrument of transfer unless—
- i. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
 - ii. 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 the instrument of transfer is in respect of only one class of shares.
Provided that, transfer of shares in whatever lot shall not be refused.
 - iii. The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s),
 - iv. Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter , then the securities will be transferred;
 - v. If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter.
33. The Company agrees that in respect of transfer of shares where the Company has not effected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay
34. 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
35. The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company.

Register of Transfers

36. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.

Dematerialisation of Securities

- 37.
- i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.
 - a. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.
 - b. Option for Investors:

Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.

If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security

c. Securities in Depository to be in fungible form:-

- All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.
- Nothing contained in Sections 88, 89, 112 & 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.

d. Rights of Depositories & Beneficial Owners:-

Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.

e. Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

f. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.

- ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.
- iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
- iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
- v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.
- vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.
- vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.

Transmission of shares

38.

- i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.

- ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

39.

- i. Any person becoming entitled to a share, in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
 - a. to be registered himself as holder of the share; or
 - b. to make such transfer of the share as the deceased or insolvent member could have made.
- ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

40.

- i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

41. 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.

42. The provisions of these Articles relating to transmission of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of admiration, Certificate of Death or marriage, power of attorney or similar other documents.

Forfeiture of shares

43. 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.

44. The notice aforesaid shall—

- i. 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
- ii. 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.

45. 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.

46.

- i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

- 47.
- i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
 - ii. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
- 48.
- i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
 - ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off;
 - iii. The transferee shall thereupon be registered as the holder of the share; and
 - iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
49. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.
50. Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.
51. Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.
52. The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.
53. 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.
54. The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

Initial payment not to preclude forfeiture

55. Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided.

Alteration of capital

56. 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.

57. Subject to the provisions of section 61, the Company may, by ordinary resolution,—
- i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - iv. 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.

Conversion of Shares into Stock

58. Where shares are converted into stock,—
- i. 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.

- ii. 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.
- iii. Such of the articles 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.

Reduction of Capital

59. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- i. its share capital;
 - ii. any capital redemption reserve account; or
 - iii. Any share premium account.

Share Warrants

60. The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant.

The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.

Not more than one person shall be recognized as depositor of the share warrant.

The Company shall, on two days written notice, return the deposited share warrants to the depositor. Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the warrant, and he shall be a member of the Company.

The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.

Capitalisation of profits

61.

- i. The Company in general meeting may, upon the recommendation of the Board, resolve—
 - a. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
 - a. paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportions aforesaid;
 - c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
 - d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
 - e. The Board shall give effect to the resolution passed by the Company in pursuance of this - regulation.
- iii. Allotment or Distribution of Bonus Shares shall not be made to those Members who furnish to the Company in written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid up pursuant to this Article 61 as the case may be, and accordingly the corresponding amount shall not be capitalized.

62.

- i. Whenever such a resolution as aforesaid shall have been passed, the Board shall—
 - a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - b. generally to do all acts and things required to give effect thereto.
- ii. The Board shall have power—
 - a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- iii. Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

63. 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 Meeting

64. All General Meetings other than annual general meeting shall be called extra-ordinary general meetings.
- 65.
- i. The Board may, whenever it thinks fit, call an extraordinary general meeting.
 - ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a notice thereof being not less than three days if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting.
 - iii. 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

- 66.
- i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
 - ii.
 - i. Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of the Company.
 - ii. In any other case, the quorum shall be decided as under:
 - a) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;
 - b) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;
67. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.
68. 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.
69. 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.
70. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
71. A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

Demand for poll

72.

- i. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up.
- ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Time of taking poll

73.

- i. A poll demanded on a question of adjournment shall be taken forthwith.
- ii. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.

Adjournment of meeting

74.

- i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

75. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

- i. on a show of hands, every member present in person shall have one vote; and
- ii. 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.

76. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

77.

- i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

78. 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.

79. Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

80. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.
81. 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.
- 82.
- i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
 - ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
83. No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

Casting Vote

84. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the polls is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.

Representation of Body Corporate

85. A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Companies Act, 2013 authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.

Circulation of member's resolution

86. The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.

Resolution requiring special notice

87. The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.

Resolutions passed at adjourned meeting

88. The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.

Registration of resolutions and agreements

89. The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.

Minutes of proceedings of general meeting and of Board and other meetings

- 90.
- i. The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making

- within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.
- ii. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed :
 - A. in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
 - B. in the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.
 - C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
 - D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
 - E. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
 - F. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:
 - a. the names of the Directors present at the meetings, and
 - b. in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.
 - iii. Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:
 - a. is or could reasonably be regarded, as defamatory of any person
 - b. is irrelevant or immaterial to the proceedings; or
 - c. is detrimental to the interests of the Company.
 - iv. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.

Minutes to be considered to be evidence

91. The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.

Publication of reports of proceeding of general meetings

92. No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

Proxy

93. 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.
94. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
95. 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

96. The number of the Directors and the names of the first Directors shall be determined in writing by the subscribers of the memorandum or a majority of them.
The present Directors are:-
1. Hanskumar Shamji Shah
2. Hemant Praful Shah
3. Kaushik Hanskumar Shah
97. The Directors need not hold any “Qualification Share(s)”.
98. Appointment of Senior Executive as a Whole Time Director Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:
- He may be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.
- Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.
- 99.
- i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
 - ii. In addition to the remuneration payable to them in pursuance of the Act, the directors -may be paid all travelling, hotel and other expenses properly incurred by them—
 - a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
 - b. in connection with the business of the company.
100. The Board may pay all expenses incurred in getting up and registering the company.
101. 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 thinks fit respecting the keeping of any such register.
102. 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.
103. 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.

- 104.
- i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.
 - ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

Retirement and Rotation of Directors

105. Not less than two-thirds of the total number of Directors of the Company, excluding the Independent directors if any appointed by the Board, shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.
106. The remaining Directors shall be appointed in accordance with the provisions of the Act.
107. At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.
108. Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provision of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or successor is appointed.
109. Subject to the provisions of the Act and these Articles, the retiring Director shall be eligible for reappointment.
110. Subject to the provision of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.

Nominee Director

111. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any of the Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or Body (hereinafter in this Article referred to as "the Corporation") continue to hold debentures or shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.
112. The terms and conditions of appointment of a Nominee Director/s shall be governed by the agreement that may be entered into or agreed with mutual consent with such Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors.
113. The Nominee Directors so appointed shall hold the said office only so long as any money only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office

immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.

114. The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors.

Provided that if any such Nominee Directors is an Officer of the Corporation / IDBI, the sitting fees in relation to such Nominee Directors shall also accrue to the Corporation/ IDBI as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.

115. Provided also that in the event of the Nominee Directors being appointed as Whole time Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.

Removal of Directors

116. The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.
117. Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
118. On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
119. Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-,
- (a) in any notice of the resolution given to members of the Company state the fact of the representations having been made, and
 - (b) send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:

Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

120. A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as prescribed in the Act.

121. A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.
122. If the vacancy is not filled under clause (5) above , it may be filled as a casual vacancy in accordance with the provisions of this Act:
- Provided that the director who was removed from office shall not be reappointed as a director by the Board of Directors.
123. Nothing in this section shall be taken-
- a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or
 - b) as derogating from any power to remove a director under other provisions of this Act.

Remuneration and sitting fees to Directors including Managing and whole time Directors

124. Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company.
- In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.
- a. In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or
 - b. In connection with the business of the Company.
125. Each Director shall be entitled to be paid out of the funds of the Company by way of sitting fees for his services not exceeding the sum of Rs. 1,00,000/- (Rupees One Lac) as may be fixed by Directors from time to time for every meeting of the Board of Directors and/ or committee thereof attended by him in addition to any remuneration paid to them. If any Director being willing is appointed to an executive office either whole time or part time or be called upon to perform extra services or to make any special exertions for the purpose of the Company then subject to Section 196, 197 & 198, read with Schedule V of the Act, the Board may remunerate such Directors either by a fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.

Powers and duties of Directors:

Certain powers to be exercised by the Board only at meeting

- 126.
- i. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board.
 - a. The power to make calls on shareholders in respect of money unpaid on their shares;
 - b. The Power to authorize buy-back of securities under Section 68 of the Act.
 - c. Power to issue securities, including debenture, whether in or outside India
 - d. The power to borrow moneys
 - e. The power to invest the funds of the Company,
 - f. Power to Grant loans or give guarantee or provide security in respect of loans
 - g. Power to approve financial statements and the Board's Report
 - h. Power to diversify the business of the Company
 - i. Power to approve amalgamation, merger or reconstruction
 - j. Power to take over a Company or acquire a controlling or substantial stake in another Company
 - k. Powers to make political contributions;
 - l. Powers to appoint or remove key managerial personnel (KMP);
 - m. Powers to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;

- n. Powers to appoint internal auditors and secretarial auditor;
- o. Powers to take note of the disclosure of director's interest and shareholding;
- p. Powers to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee Company;
- q. Powers to invite or accept or renew public deposits and related matters;
- r. Powers to review or change the terms and conditions of public deposit;
- s. Powers to approve quarterly, half yearly and annual financial statements or financial results as the case may be.

Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe.

- ii. Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate.
- iii. Every resolution delegating the power referred to in sub-clause (e) of clause (i) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.
- iv. Every resolution delegating the power referred to in sub-clause (f) of clause (i) shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases.
- v. Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.

Restriction on powers of Board

127.

- i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting :
 - a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;
 - b) remit, or give time for the repayment of any debt, due by a Director;
 - c) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;
 - d) borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or
 - e) contribute to *bona fide* charitable and other funds, aggregate of which in any financial year, exceed five percent of its average net profits during the three financial years, immediately proceedings.
- ii. Nothing contained in sub-clause (a) above shall affect:
 - a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or
 - b) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.
- iii. Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (i) (a) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds

which may result from the transaction. Provided that this clause shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.

- iv. No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (i) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.
128. Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in Section 180 of the Companies Act, 2013 and in regard to the limitations on the power of the Company contained in Section 182 of the Companies Act, 2013.

General powers of the Company vested in Directors

129. Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other Act and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

Specific powers given to Directors

130. Without prejudice to the general powers conferred by Article above and the other powers conferred by these presents and so as not in any way to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers:
- i. to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013;
 - ii. to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory;
 - iii. to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
 - iv. to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;
 - v. To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;

- vi. To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;
- vii. To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;
- viii. Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;
- ix. To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;
- x. To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;
- xi. To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;
- xii. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;
- xiii. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;
- xiv. Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.
- xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.
- xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;
- xvii. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and

give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at anytime Directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;

- xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.
- xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.
- xx. At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.
- xxi. To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;

MANAGING DIRECTORS

Power to appoint Managing or Whole-time Directors

131.

- a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Whole-time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.

- b) Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time.
- c) Subject to the provisions of Sections 197 & 198 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.

Proceedings of the Board

- 132.
- a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
 - b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
133. The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.
- 134.
- a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
 - b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
135. 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.
136. The participation of directors in a meeting of the Board/ Committees may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
- 137.
- a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
 - b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

Delegation of Powers of Board to Committee

- 138.
- a) 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.
 - b) 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.
- 139.
- a) A committee may elect a Chairperson of its meetings.
 - b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- 140.
- a) A committee may meet and adjourn as it thinks fit.
 - b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

141. 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.
142. 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

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

143. Subject to the provisions of the Act,—
- a) 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;
 - b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.
144. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officers, 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

- 145.
- a) The Board shall provide for the safe custody of the seal.
 - b) 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

146. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
147. 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.
- 148.
- a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
 - b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 149.
- a) 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.

- b) 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.
- c) 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.

150. 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.

151.

- a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

152. 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.

153. 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.

154. No dividend shall bear interest against the Company.

Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;

155. Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account as per provisions of section 124 and any other pertinent provisions in rules made thereof.

The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.

156. The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.

157. Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

Accounts

158.

- a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.

- b) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

Inspection of Statutory Documents of the Company:

159. Minutes Books of General Meetings

- a) The books containing the minutes of the proceedings of any general meeting of the Company shall;
- i. be kept at the registered office of the Company, and
 - ii. be open, during the business hours to the inspection of any member without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection.

Provided however that any person willing to inspect the minutes books of General Meetings shall intimate to the Company his willingness atleast 15 days in advance.

- b) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof.

160. Register of charges:

- a) The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.
- b) The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours—
- a. by any member or creditor without any payment of fees; or
 - b. by any other person on payment of such fees as may be prescribed,

Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.

Audit

161.

- a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.
- b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made there under.
- c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.
- d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.

Winding up

162. Subject to the provisions of Chapter XX of the Act and rules made there under—

- i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

- ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or others securities whereon there is any liability.

Indemnity

163. 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 Subject to the provisions of Chapter XX of the Act and rules made there under.

Secrecy

- 164.
- (a) Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents.
 - (b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Prospectus, delivered to the Registrar of Companies, for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the corporate office between 10 a.m. and 5 p.m. on all Working Days from the date of this Prospectus until the Issue Closing Date.

Material Contracts

1. Agreement dated May 05, 2023 between our Company and the Book Running Lead Manager to the Issue.
2. Agreement dated May 05, 2023 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated May 09, 2023 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated May 05, 2023 between our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated May 05, 2023 between our Company, Book Running Lead Manager and Underwriter.
6. Syndicate Agreement dated May 09, 2023 between our Company, Book Running Lead Manager and Registrar to the Issue and Syndicate Members.
7. Tripartite Agreement dated November 04, 2022 among CDSL, the Company and the Registrar to the Issue.
8. Tripartite Agreement dated February 24, 2023 among NSDL, the Company and the Registrar to the Issue.

Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated March 27, 1989 issued by the Registrar of Companies, Maharashtra, Mumbai
3. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated February 22, 1994 issued by Registrar of Companies, Maharashtra, Mumbai.
4. Copy of the Board Resolution dated December 17, 2022 authorizing the Issue and other related matters.
5. Copy of Shareholder's Resolution dated December 20, 2022 authorizing the Issue and other related matters.
6. Copies of Audited Financial Statements of our Company for period ended March 31, 2023.
7. Statutory Auditors Report dated April 28, 2023 on the Restated Financial Statements for the financial years ended ended March 31, 2023, March 31, 2022 and March 31, 2021.
8. Certificate on KPIs issued by our Statutory Auditors dated April 28, 2023.
9. Copy of the Statement of Tax Benefits dated April 28, 2023 from the Statutory Auditor.
10. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Syndicate Member, Banker to the Issue/ Sponsor Bank, Statutory Auditor of the Company, Bankers to our Company, Promoters, Directors, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.
11. Board Resolution dated May 05, 2023 for approval of Draft Red Herring Prospectus, dated May 16, 2023 for approval of Red Herring Prospectus and dated May 30, 2023 for approval of Prospectus.
12. Due Diligence Certificate from Book Running Lead Manager dated May 05, 2023
13. Approval from BSE vide letter dated May 15, 2023 to use the name of BSE in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus for listing of Equity Shares on the SME Platform of BSE (BSE SME) of the BSE Limited.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 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. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Hanskumar Shamji Shah Chairman & Managing Director DIN: 00215972	Sd/-

Date: May 30, 2023

Place: Mumbai

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 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. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Kaushik Hanskumar Shah Whole Time Director & Chief Financial Officer DIN: 01483743	Sd/-

Date: May 30, 2023

Place: Mumbai

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 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. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Hemant Praful Shah Whole Time Director DIN: 00215994	Sd/-

Date: May 30, 2023

Place: Mumbai

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 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. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Nehal Babu Karelia Non-Executive Director DIN: 09845001	Sd/-

Date: May 30, 2023

Place: Mumbai

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 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. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Sourabh Ajmera Independent Director DIN: 06876514	Sd/-

Date: May 30, 2023

Place: Mumbai

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 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. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Pooja Kirti Kothari Independent Director DIN: 09833311	Sd/-

Date: May 30, 2023

Place: Mumbai

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 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. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY OF OUR COMPANY:

Name and Designation	Signature
Meenal Ajmera Company Secretary & Compliance Officer M. No.: F10965	Sd/-

Date: May 30, 2023

Place: Mumbai