



GENPHARMASEC LIMITED

(CIN- L24231MH1992PLC323914)

Our Company was originally incorporated as Adi Rasayan Limited "a private limited company vide a Certificate of Incorporation dated 16th November, 1992, issued by the Registrar of Companies, Gujrat, Dadra & Nagar Haveli under the provisions of the Companies Act, 1956. Subsequently, the name of our Company was changed to "Generic Pharmasec Limited" and a fresh certificate of incorporation dated 27th November, 2018 consequent upon change of name was issued by the Registrar of Companies, Ahmedabad. Thereafter, the name of our Company was further changed to "Genpharmasec Limited" and a fresh certificate of incorporation dated 25th October, 2021 consequent upon change of name was issued by the Registrar of Companies, Mumbai. For further details in relation to our Company, please refer to the section titled "General Information" beginning on page 50 of this Draft Letter of offer.

Registered Office: Office No. 104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd.
Akurli Road Kandivali East Mumbai City MH 400101

Tel: +91- 86555 50242 **Email:** compliance@genpharmasec.com **Website:** www.genpharmasec.com

Contact Person: Ms. Heta Deepak Shah, Company Secretary & Compliance Officer

PROMOTER OF OUR COMPANY: MR. RAJESH SADHWANI AND MRS. SNEHA SADHWANI

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF GENPHARMASEC LIMITED
NEITHER OUR COMPANY, OUR PROMOTERS NOR OUR DIRECTORS HAVE BEEN DECLARED AS A WILFUL
DEFAULTER OR FRAUDULENT BORROWER BY THE RBI OR ANY OTHER GOVERNMENT AUTHORITY

THE ISSUE

ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE OF RS. 1 EACH ("EQUITY SHARES") OF GENPHARMASEC LIMITED ("GENPHARMA" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (INCLUDING PREMIUM OF RS. [●] PER EQUITY SHARE) ("ISSUE PRICE") FOR AN AGGREGATE AMOUNT NOT EXCEEDING RS. 4,900.00 LAKHS TO THE ELIGIBLE EQUITY SHAREHOLDERS ON RIGHTS BASIS IN THE RATIO OF [●] ([●]) EQUITY SHARES FOR EVERY [●] ([●]) EQUITY SHARE HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, I.E. [●] (THE "ISSUE"). THE ISSUE PRICE IS [●] TIME OF FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE SEE THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 123 OF THIS DRAFT LETTER OF OFFER.

GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered 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 this Draft Letter of Offer.

Specific attention of the investors is invited to "Risk Factors" beginning on page 31 of this Draft Letter of Offer before making an investment in this Issue.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The existing Equity Shares of our Company are listed on BSE Limited (BSE). Our Company has received "in-principle" approval from BSE for listing the Equity Shares to be allotted pursuant to the Issue through its letter dated [●]. Our Company will also make an application to BSE to obtain its trading approval for the rights entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE.

ADVISOR TO THE ISSUE



Navigant
Reinventing Business

NAVIGANT CORPORATE ADVISORS LIMITED

423, A Wing, Bonanza, Sahar Plaza Complex,
J B Nagar, Andheri Kurla Road, Andheri East, Mumbai-400 059
Tel No. +91-22-41204837

Email Id-navigant@navigantcorp.com

Investor Grievance Email:info@navigantcorp.com

Website: www.navigantcorp.com

SEBI Registration Number: INM000012243

Contact Person: Mr. Sarthak Vijlani

REGISTRAR TO THE ISSUE



SATELLITE CORPORATE SERVICES PRIVATE LTD

Satellite Corporate Services Pvt Ltd, Office no. 106 & 107, Dattani
Plaza, East West Compound, Andheri Kurla Road, Sakinaka, Mumbai,
Maharashtra-400072.

Tel No.: 022 - 28520461 / 28520462

Website: www.satellitecorporate.com

E-mail ID: services@satellitecorporate.com, info@satellitecorporate.com

Contact Person: Mr. Michael Monteiro

SEBI Registration No: INR000003639

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE OF ON MARKET RENUNCIATIONS*	ISSUE CLOSURES ON**
[●]	[●]	[●]

*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

**Our Board or a Rights Issue Committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.



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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Letter of Offer 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, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in "Statement of Special Tax Benefits" and "Financial Statements" beginning on pages 68 and 102, respectively of this Draft Letter of Offer, shall have the meaning given to such terms in such sections.

Company Related Terms

Terms	Description
"Genpharmasec Limited" or "the Company" or "our Company" or "we" or "us" or "our" or "the Issuer"	Genpharmasec Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at Office No. 104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd. Akurli Road Kandivali East Mumbai City MH 400101.
Articles of Association	The Articles of Association of our Company as amended from time to time.
Auditors / Statutory Auditors	The Statutory Auditors of our Company being M/s. Abhishek S Tiwari & Associates, Chartered Accountants.
Board / Board of Directors / our Board	The Board of Directors of our Company or a duly constituted committee thereof, as the context may refer to.
Director(s)	Any or all the director(s) of our Board, as may be appointed from time to time.
Equity Shares / Shares	Equity Shares of face value of Re. 1 each of our Company.
Key Managerial Personnel / KMP	Mr. Ulhas Narayan Deosthale, Whole Time Director, Mr. Sohan Chaturvedi, Chief Financial Officer and Ms. Heta Deepak Shah, Company Secretary and Compliance Officer, collectively referred as Key Managerial Personnel of the Company.
Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Promoter(s)	Mr. Rajesh Sadhwani and Ms. Sneha Sadhwani
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed by our Company in the filings made with the Stock Exchange under the SEBI Listing Regulations.
Registered Office	Registered office of our Company situated at Registered Office at Office No. 104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd. Akurli Road Kandivali East Mumbai City MH 400101.



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Terms	Description
Registrar of Companies / ROC	Registrar of Companies, 5th Floor, 100, Everest Building, Netaji Subhash Road, Marine Dr, Mumbai, Maharashtra 400002.
Subsidiary / Subsidiary Company / our Subsidiary	Our Company has a Subsidiary Company as on this Draft Letter of Offer namely, Genpharmasec Middle East DMCC.

Issue Related Terms

Term	Description
Abridged Letter of Offer or ALOF	The Abridged letter of offer to be sent to the Eligible Equity Shareholders as on the Record Date with respect to the Issue in accordance with the SEBI ICDR Regulations and the Companies Act.
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allotment / Allot / Allotted / Allotment of Rights Equity Shares	The allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account(s)	The account(s) opened with the Banker(s) to this Issue, into which the Application Money lying credit to the Escrow Account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013.
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, [●]
Allotment Advice	The note or advice or intimation of Allotment sent to the Investors, who have been or are to be allotted the Rights Equity Shares after the basis of Allotment has been approved by the BSE.
Allotment Date	The date on which Allotment is made.
Allottee(s)	Persons to whom Rights Equity Shares of our Company are allotted pursuant to this Issue.
Applicant(s) / Investors	Eligible Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer.
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.



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Term	Description
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) used by Investors to make an application authorizing the SCSB to block the amount payable on application in their specified bank account maintained with SCSB.
ASBA Account	An account maintained with an SCSB and specified in the CAF or plain paper application, as the case may be by the Applicant for blocking the amount mentioned in the CAF or in the plain paper application.
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.
Bankers to the Company	HDFC Bank, ICICI Bank and Indian Bank.
Bankers to the Issue / Escrow Collection Bank	[●]
Banker to the Issue Agreement	Agreement dated [●] entered into by and amongst our Company, the Registrar to the Issue and the Bankers to the Issue for collection of the Application Money from Applicants/ Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in "Terms of the Issue" beginning on page 123 of this Draft Letter of Offer.
CAF / Common Application Form	The application form used by Investors to make an application for Allotment under the Issue
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
Designated Branches	Such branches of the SCSBs which shall collect application forms used by ASBA Investors and a list of which is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
Designated Stock Exchange	BSE Limited
Depository	A depository registered with SEBI under the SEBI (Depository and Participant) Regulations, 2018, as amended from time to time, read with the Depositories Act, 2018.
Draft Letter of Offer / DLOF	This draft letter of offer dated 23 rd October, 2023
ECS	Electronic Clearing Service
Equity Shareholder(s)/ Shareholder(s)	The holders of Equity Shares of our Company.
Eligible Equity Shareholders / Eligible Shareholders/	Holders of Equity Shares of our Company as on the Record Date, i.e. [●].



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Term	Description
Escrow Account(s)	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors.
"Escrow Collection Bank", "Allotment Account Bank(s)" or "Refund Bank(s)"	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the Escrow Account will be opened, in this case being, [●]
Fraudulent Borrower	A fraudulent borrower, as defined under the SEBI ICDR Regulations
General Corporate Purposes	General corporate purposes shall have the meaning as determined in Regulation 2(1)(r) of the SEBI ICDR Regulations.
GIR	General Index Registrar
IEPF	Investor Education and Protection Fund
Investor(s)	The Equity Shareholders of our Company on the Record Date i.e. [●] and the Renouncee(s).
ISIN	International Securities Identification Number
Issue / the Issue / this Issue / Rights Issue	Issue of upto fully paid up [●] Equity Shares with a face value of Re. 1 each for cash at a price of Rs. [●] per Equity Share aggregating up to Rs. 4,900.00 Lakhs on a rights basis to Eligible Shareholders in the ratio of [●] ([●]) Rights Equity Shares for every [●] ([●]) fully paid-up Equity Share held on the Record Date i.e. [●].
Issue Closing Date	[●]
Issue Opening Date	[●]
Issue Price	Rs. [●] per Equity Share
Issue Proceeds	The gross proceeds raised through the Issue
Issue Size	The issue of upto fully paid up [●] Rights Equity Shares for an amount aggregating up to Rs. 4,900.00 Lakhs.
Letter of Offer / LOF	The final letter of offer to be issued by our Company in connection with the Issue.
Listing Agreement	Uniform listing agreement entered into under the Listing Regulations between our Company and the Stock Exchange.
MICR	Magnetic Ink Character Recognition
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/ Renouncee in respect of the Rights Entitlement available in their demat account. However, supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application.
NAV	Net Asset Value calculated as Net Worth divided by number of fully paid-up Equity Shares.
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to the chapter titled "Objects of the Issue" beginning on page 59 of this Draft Letter of Offer.
Net Worth	Net worth as defined under Section 2(57) of the Companies Act.
Non Institutional Investor(s)	Investor, including any company or body corporate, other than a Retail Individual Investor and a QIB.



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Term	Description
Offer Document	The Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer including any notices, corrigenda thereto.
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [●]
QIBs / Qualified Institutional Buyers	Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
Record Date	A record date fixed by our Company for the purposes of determining the names of the Equity Shareholders who are eligible for the issue of Rights Equity Shares i.e. [●].
Registered Foreign Portfolio Investors / Foreign Portfolio Investors / Registered FPIs / FPIs	Foreign portfolio investors as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Registrar to the Issue / Registrar and Transfer Agent / RTA	M/s. Satellite Corporate Services Private Limited.
Registrar Agreement	Agreement dated 11th October, 2023 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
Renouncee(s)	Person(s) who has / have acquired Rights Entitlements from the Eligible Equity Shareholders.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●] in case of Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
Retail Individual Investor(s)	Individual Investors who have applied for Rights Equity Shares for an amount less than or equal to Rs. 200,000 (including HUFs applying through their karta).
Rights Entitlements (Res)	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by such Eligible Equity Shareholder on the Record Date.
RE-ISIN	The RE-ISIN for Rights Entitlement of fully paid-up shares being [●].



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Term	Description
Rights Equity Shares / Rights Shares	The equity shares of face value Re. 1 each of our Company offered and to be issued and allotted pursuant to the Issue.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible through on the website of our Company.
Self-Certified Syndicate Bank / SCSBs	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended, and offer the facility of ASBA, including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
Stock Exchange/ Stock Exchange(s)	BSE where the Equity Shares of our Company are presently listed being BSE.
Transfer Date	The date on which the Application Money held in the Escrow Account and the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Willful Defaulter	Willful Defaulter as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Business and Industry related Terms / Abbreviations

Term	Description
ADA	Abbreviated Antibiotic Drug Application
AAO	American Academy of Ophthalmology
ADE	Adverse Drug Event
ADME	Absorption, Distribution, Metabolism, and Excretion
ADI	Acceptable Daily Intake
ADR	Adverse Drug Reaction
ADRS	Adverse Drug Reporting System
AGDUFA	Animal Generic Drug User Fee Act
AHU	Air Handling Unit
ALCOA	Acronym referring to Attributable, Legible, Contemporaneous, Original and Accurate.
ALCOA PLUS	Acronym referring to Attributable, Legible, Contemporaneous, Original and



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Term	Description
	Accurate 'plus' Complete, Consistent, Enduring, and Available.
AME	Absorption, Metabolism, Excretion
ANDA	Abbreviated New Drug Application
ANOVA	Analysis of Variance
ANVISA	Agência Nacional de Vigilância Sanitária (<i>National Health Surveillance Agency Brazil</i>)
AP	Applicants Part (of EDMF)
API	Active Pharmaceutical Ingredient
APIC	Active Pharmaceutical Ingredients Committee
APR	Annual product review (APQR – Annual product quality review)
AQL	Acceptable Quality Level
AR	Analytical Reagent
ARB	Angiotensin Receptor Blocker
ASHRAE	American Society of heating, Refrigeration and Air Conditioning Engineers
ASM	Active Substance Manufacturer
ASME	American Society of Mechanical Engineers
ASMF	Active Substance Master File
ASQ	American Society for Quality
AST	Accelerated Stability Testing
ASTM	American Society for Testing and Materials
BA/BE	Bioavailability/Bioequivalence
BCS	Biopharmaceutical Classification System
BET	Bacterial Endotoxin Test
BFS	Blow Fill Seal
BI	Biological Indicator
BIND	Biological Investigational New Drug
BLA	Biologics License Application (CBER)
BMI	Body Mass Index
BMR	Batch Manufacturing/Processing Record
BOD	Biological Oxygen Demand
BOM	Bill of Materials
BOPP	Biaxially Oriented Polypropylene
BP	British Pharmacopoeia
BPC	Bulk Pharmaceutical Chemical
BPR	Batch Packaging Record
BRMS	Biologics Regulatory Management System
BSA	Body Surface Area
BSE	Bovine Spongiform Encephalopathy (Mad Cow Disease)
BSI	British Standards Institute
BST	Bovine Somatotropin
BsUFA	Biosimilar User Fee Act
BTB	Breakthrough Therapy Designation
BVC	British Veterinary Codex
CA	Chemical Abstracts
CAPA	Corrective and preventive action
CANDA	Computer Assisted New Drug Application



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Term	Description
CAPLA	Computer Assisted Product License Application
CAS	Chemical Abstracts Service
CBE	Changes Being Effected
CBER	Center for Biologics Evaluation and Research (FDA)
CCIT	Container Closure Integrity Test
CDER	Center for Drug Evaluation and Research (FDA)
CDRH	Center for Devices and Radiological Health (FDA)
CDSCO	Central Drug Standard Control Organization (India)
CEP	Certification of Suitability of European Pharmacopoeia Monographs
CFR	Code of Federal Regulations
CFU	Colony Forming Unit
CJD	Creutzfeldt Jakob Disease
cGMP	Current Good Manufacturing Practices
CIP	Clean in Place
CMC	Chemistry, Manufacturing and Controls
CMO	Contract Manufacturing Organization
CMS	Continuous Monitoring System
CNS	Central Nervous System
COA	Certificate of Analysis
COI	Conflict of Interest
COMSTAT	Compliance Status Information System
COP	Clean out of Place
COPP	Certificate of Pharmaceutical Products
CoS	Certificate of Suitability
CPI	Consumer Price Index
CPP	Critical Process Parameter
CQA	Critical Quality Attribute
CR	Complete Response (Letter)
CRO	Contract Research Organization
CRS	Contamination Response System
CSA	Controlled Substances Act
CSV	Computer System Validation
CT	Clinical Trial
CTD	Common Technical Document
CVMP	Committee on Veterinary Medical Products (EMA)
DI	Deionized Water
DIN	Drug Identification Number (Canada)
DMF	Drug Master File
DOA	Drugs of Abuse
DOE	Design of Experiment
DOP	Diocetyl Phthalate
DQ	Design Qualification
DP	Drug Product
DPC-PTR Act	Drug Price Competition and Patent Trade Restoration Act of 1984
DPI	Dry Powder Inhaler
DS	Drug Substance



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Term	Description
DUNS	Data Universal Numbering System
EC	European Community
ED	Effective Dose
EDMF	European Drug Master File
EDQM	European Directorate for the Quality of Medicines
EFOIA	Electronic Freedom of Information Act
EFPIA	European Federation of Pharmaceutical Industries and Associations
EFTA	European Free Trade Association
EH&S	Environmental Health and Safety
EIA	Enzyme Immunoassay
EIR	Establishment Inspection Report (FDA)
EMA	European Medicines Agency (Formerly European Medicines Evaluation Agency -EMEA)
EP	European Pharmacopoeia
EPAR	European Public Assessment Reports (EMA)
EPS	Expanded Polystyrene
ERP	Emergency Response Plan
ERS	Electronic Regulatory Submission
ERSR	Electronic Regulatory Submissions and Review
ESG	Electronic Submissions Gateway
ETP	Effluent Treatment Plant
EU	Endotoxin Unit
EU	European Union (EU 27)
FAI	Further Action Indicated (FDA)
FAR	Field Alert Report (FDA)
FAT	Factory Acceptance Testing
FBD	Fluid-Bed Dryer
FDA	Food and Drug Administration, United States
FDA Form 482	FDA form for Notice of Inspection
FDA-483	FDA form Used as a Written Notice of Deficiencies Found in Inspections
FDA- SRS	Spontaneous Reporting System of the Food and Drug Administration
FDC	Food, Drug, & Cosmetic
FDC	Fixed Dose Combination
FDCA	Federal Food, Drug, and Cosmetic Act of 1938
FFDCA	Federal Food, Drug, and Cosmetic Act of 1938
FEI	Facility Establishment Identifier
FEFO	First Expiry First Out
FG	Finished Goods
FIFO	First in First Out
FMEA	Failure Modes and Effect Analysis
FMECA	Failure Modes Effects and Criticality Analysis
FOI	Freedom of Information
FOIA	Freedom of Information Act
FR	Federal Register
FTA	Fault Tree Analysis
GAMP	Good Automated Manufacturing Practice



Term	Description
GARR	Grants Application Review Request
GC	Gas Chromatography
GCLP	Good Clinical Laboratory Practice
GCLP	Good Clinical laboratory practice
GCP	Good Clinical practice
GDP	Good Distribution practice
GEO	Genetically Engineered Organism
GEP	Good Engineering Practice
GGP	Good Guidance practice
GIT	Gastrointestinal Tract
GLP	Good Laboratory Practice
GMO	Genetically Modified Organism
GMP	Good Manufacturing Practice
GPT	Growth Promotion Test
GRAS	Generally Recognized as Safe
GRAS/E	Generally Recognized as Safe and Effective
GRP	Good Review Practice
GUDUFA	Generic Drug User Fee Amendments
GxP	"Good x" Practices
HACCP	Hazard Analysis Critical Control Point
HCI	Human-Computer Interaction
HDPE	High Density Polyethylene
HEPA	High Efficiency Particulate Air (filter)
HMI	Human Machine Interface
HPLC	High Performance Liquid Chromatography
HSA	Health Sciences Authority, Singapore
HVAC	Heating, Ventilating, and Air Conditioning
ICAH	International Council on Harmonisation (Formally known as International Conference on Harmonisation)
IH	In House
IM	Intramuscular
IND	Investigational New Drug
INDA	Investigational New Drug Application
INN	International Nonproprietary Name
IP	Indian Pharmacopeia
IPA	Isopropyl Alcohol
IPC	In process Control
IPCS	International Programme on Chemical Safety (WHO)
IPEC	International Pharmaceutical Excipients Council
IQ	Installation Qualification
ISO	International Organization for Standardization
ISPE	International Society for Pharmaceutical Engineering
IUPAC	International Union of Pure and Applied Chemistry
IV	Intravenous
JP	Japanese Pharmacopoeia
KOS	Knowledge Organization System



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Term	Description
LAF	Laminar air flow
LAL	Limulus Amoebocyte Lysate
LAN	Local Area Network
LD	Lethal Dose
LD50	Lethal Dose where 50% of the Animal Population Die
LDPE	Low Density Polyethylene
LIMS	Laboratory Information Management System
LIR	Laboratory Investigation Report
LOA	Letter of Agreement
LOA	Letter of Authorization
LOD	Loss on Drying
LOD	Limit of Detection
LOQ	Limit of Quantification
LR	Laboratory Reagent
LVPs	Large Volume Parenterals
MA	Marketing Authorisation
MAA	Marketing Authorisation Application
mAb	Monoclonal Antibody
MAC	Maximum Allowable Carryover
MAH	Marketing Authorisation Holder (EC)
MDA	Medical Devices Agency (UK)
MDD	Maximum Daily Dose
MDI	Metered Dose Inhaler
MDR	Medical Device Reporting
MDUFMA	Medical Device User Fee and Modernization Act of 2002
MDUFSA	Medical Device User Fee Stabilization Act of 2005
MFR	Master Formula Record
MEDSAFE	Medicines and Medicinal Devices Safety Authority (New Zealand)
MHRA	Medicines and Healthcare Products Regulatory Agency (UK)
MLD	Minimum Lethal Dose
MOA	Method Of Analysis
MRA	Mutual Recognition Agreement
MS	Mass Spectroscopy
MSDS	Material Safety Data Sheets
MTD	Maximum Tolerated Dose
NCE	New Chemical Entity
NAI	No Action Indicated (FDA)
NCR	Non-Conformance Report
NDA	New Drug Application
NDC	National Drug Code (FDA)
NF	National Formulary
NIR	Near Infra-Red Spectroscopy
NME	New Molecular Entity
NMR	Nuclear Magnetic Resonance Spectroscopy
NMT	Not More Than
NOAEL	No Observable Adverse Effect Level



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Term	Description
NOC	Notice of Compliance (Canada)
NOD	Notice of Deficiency (Canada)
NON	Notice of Non-compliance (Canada)
NSAID	Non-Steroidal Anti-Inflammatory Drug
OAI	Official Action Indicated (FDA)
ODI	Orally Disintegrating Tablet
OEL	Occupational Exposure Level
OQ	Operation Qualification
OSD	Oral Solid Dosage
OSHA	Occupational Safety and Health Administration
OOS	Out of Specification
OOT	Out of Trend
OTC	Over-the-counter
PAC	Post-approval changes
PACT	Post-Approval Commitment Tracking
PAI	Pre-Approval Inspection (FDA)
PAO	Poly alpha olefin
PAS	Prior Approval Supplement (FDA)
PD	Pharmacodynamics
PDA	Parenteral Drug Association
PDE	Permitted Daily Exposure
PDUFA	Prescription Drug User Fee Act
PEPFAR	Presidential Emergency Plan for AIDS Relief
PET	Preservative Efficacy Test
PET	Polyethylene
Ph.Eur.	Pharmacopeia Europa
PIC/S	Pharmaceutical Inspection Co-operation Scheme
PK	Pharmacokinetics
PLA	Product License Application (CBER)
PLAIR	Pre-Launch Activities Importation Request (USFDA)
PLC	Programmable Logic Control
PMA	Premarket Approval
PMF	Public Master File
PMS	Postmarketing Surveillance
POM	Prescription-only medicine (UK)
ppb	Parts per Billion
PPE	Personal protective equipment
Ppm	Parts per Million
PPM	Planned Preventive Maintenance
PQ	Performance Qualification
PQG	Pharmaceutical Quality Group
PUDUFA	Prescription Drug User Fee Act (FDA)
PV	Process Validation
PVC	Polyvinyl Chloride
PVDC	Polyvinylidene Chloride
PW	Purified Water



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Term	Description
QA	Quality Assurance
QC	Quality Control
QbD	Quality by design
QbR	Question-based Review
QD	Once Daily
QID	Four Times a Day
QM	Quality Manual
QMS	Quality Management System
QOD	Every Other Day
QP	Qualified Person (EU)
QRM	Quality Risk Management
QSD	Quality System Dossier
QSM	Quality System Management
QU	Quality Unit
RCR	Risk Control Review
R&D	Research and Development
REMS	Risk Evaluation and Mitigation Strategy
RH	Relative Humidity
RLAF	Reverse Laminar Air Flow
RLD	Reference listed drug
RM	Raw Material
RMS	Reference Member State (Europe)
RO	Reverse Osmosis
ROPP	Roll On Pilfer Proof
RS	Related Substance
RTR	Refuse to Receive
Rx	Prescription
SAL	Sterility Assurance Level
SDN	Screening Deficiency Notice (Canada)
SHPPRA	South African Health Products Authority [formally known as Medicines Control Council (MCC)]
SIP	Sterilization in place/Steam in place
SLS	Sodium Lauryl Sulphate
SMF	Site Master File
SOP	Standard Operating Procedure
SPE	Society for Pharmaceutical Engineering
STD	Sexually Transmitted Disease
SUPAC	Scale-up and Post Approval Changes
SVP	Small Volume Parenteral
TC	Thermocouple
TDI	Tolerable Daily Intake
TDS	Total Dissolved Solids
TGA	Therapeutics Goods Administration (Australia)
TLC	Thin Layer Chromatography
TID	Three Times a Day
TOC	Total Organic Carbon



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Term	Description
TSE	Transmissible Spongiform Encephalopathy
UDI	Unique Device Identification
UNII	Unique Ingredient Identifier
USFDA	United States Foods and Drugs Administration
USP	United States Pharmacopeia
USPC	U.S. Pharmacopeial Convention
USP-NF	United States Pharmacopeia-National Formulary
URS	User Requirement Specification
UTI	Urinary tract infection
VAI	Voluntary Action Indicated
VMP	Validation Master Plan
WFI	Water for Injection
WHO	World Health Organisation

Conventional and General Terms or Abbreviations

Term	Description
“~” / “Rs.” / “Rupees” / “INR”	Indian Rupees
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the SEBI AIF Regulations
AY	Assessment Year
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CARO	Companies (Auditor’s Report) Order, 2020
CBIC	Central Board of Indirect Taxes and Customs
CDSL	Central Depository Services (India) Limited
Central Government	The Central Government of India
CFO	Chief Financial Officer
CIN	Corporate Identity Number
Companies Act	Companies Act, 2013, as amended from time to time
Companies Act, 1956	Companies Act, 1956 and the rules made thereunder, as the context requires
Companies Act, 2013	Companies Act, 2013 and the rules made thereunder
COVID-19 / Novel Coronavirus	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CRAR	Capital adequacy ratio/Capital to risk assets ratio
CrPC	Code of Criminal Procedure, 1973
CTS	Cheque Truncation System
Depositories Act	The Depositories Act, 2018 as amended from time to time
DIN	Director Identification Number
DP	Depository Participant as defined under the Depositories Act
DP ID	Depository Participant’s Identity



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Term	Description
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
EPS	Earnings per Share
EGM	Extraordinary General Meeting
FCNR Account / FCNR	Foreign Currency Non Resident Account
FBIL	Financial Benchmarks India Private Limited
FDI	Foreign Direct Investment
FEMA Act / FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations promulgated there under and any amendments thereto.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2017 as amended from time to time
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Fiscal / Fiscal Year/ Financial Year/FY	12 month period commencing from April 1 and ending on March 31 of the immediately succeeding year.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FPI	Foreign Portfolio Investor
FVCIs	Foreign venture capital investors as defined in and registered with SEBI under the SEBI FVCI Regulations.
GCP	General Corporate Purpose
Government/GoI	Government of India
GST	Goods and Service Tax
HFC	Housing finance companies
HUF	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
Indian GAAP	Generally accepted accounting principles followed in India.
Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time
ISIN	International Securities Identification Number
I.T. Act / IT Act	Income Tax Act, 1961
I. T. Rules	Income Tax Rules, 1962, as amended from time to time.
KMP	Key Managerial Personnel
Lakh	One hundred thousand
MCA	Ministry of Corporate Affairs, Government of India
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House which is a consolidated system of ECS.
NBFC	Non-banking financial companies



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Term	Description
NCD (s)	Non-convertible debentures
Net Worth	Aggregate of Equity Share capital and other equity
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer
N.A.	Not Applicable
NI Act	The Negotiable Instruments Act, 1881
NR	Non Resident
NRE	Non Resident External Account
NRI	Non Resident Indian
NSDL	National Securities Depositories Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Deposit) Regulations, 2000 and which was in existence on the date of the commencement of Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's)) Regulations, 2003 and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the regulations.
OPC	One Person Company
p.a.	Per Annum
PAN	Permanent Account Number
PAT	Profit after tax
QP	Qualified purchaser as defined in the U.S. Investment Company Act
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlement
SCORES	SEBI Complaints Redress System
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, 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 Investors) Regulations, 2000, as amended from time to time



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Term	Description
SEBI ICDR Regulations /ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Listing Regulations/ Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI Takeover Regulations/ SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended from time to time
SEBI Relaxation Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, read with SEBI circulars bearing reference numbers SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 and SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021
SEBI Rights Issue Circulars	Collectively, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 and the SEBI Relaxation Circulars
STT	Securities Transaction Tax
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
Total Borrowings	Aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities
UPI	Unified Payments Interface
U.S/United States	The United States of America
USD / US\$	United States Dollars
US Securities Act	The United States Securities Act of 1933, as amended from time to time
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
WHO	World Health Organization

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.



NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and courier this Draft Letter of Offer/Abridged Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, this Draft Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this Draft Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchange.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Abridged Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer or the Abridged Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Draft Letter of Offer and the Abridged Letter of Offer must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of this Draft Letter of Offer or the Abridged Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Draft Letter of Offer or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If this Draft Letter of Offer or the Abridged Letter of Offer or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Draft Letter of Offer, the Abridged Letter of Offer or the Application Form.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of this Draft Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights



Entitlement Letter or the date of such information.

THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof ("**United States**"), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, this Draft Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and this Draft Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a



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registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.



PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

In this Draft Letter of Offer, unless otherwise specified or context otherwise requires, references to 'US\$', '\$', 'USD' and 'U.S. dollars' are to the legal currency of the United States of America, and references to 'INR', '₹', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of India. All references herein to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to 'India' are to the Republic of India and its territories and possessions and the references herein to 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

Financial Data

Unless stated or the context requires otherwise, our financial data included in this Draft Letter of Offer is derived from the Audited Financial Statements and unaudited financials for the three months ended 30th June, 2023. For further information, refer chapter titled "Financial Statements" on page 102.

We have prepared our Audited Financial Statements and unaudited financials for the three months ended 30th June, 2023 in accordance with Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

Our Company's Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Financial Year or Fiscal, unless stated otherwise, are to the 12 months period ending on March 31 of that particular calendar year.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. Unless stated otherwise, throughout this Letter of Offer, all figures have been expressed in Lakhs.

Currency of Presentation

- All references to 'INR', '₹', 'Indian Rupees', 'Rs.' and 'Rupees' are to the legal currency of India.
- Any reference to 'US\$', 'USD', '\$' and 'U.S. dollars' are to the legal currency of the United States of America.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Unless stated otherwise, throughout this Draft Letter of Offer, all figures have been expressed in lakh.

Market and Industry Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer have been obtained or derived from publicly available information. Publicly available Information generally state that the



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information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of such information. Although we believe that industry data used in this Draft Letter of Offer is reliable, it has not been independently verified and neither we, nor any of our affiliates, jointly or severally, make any representation as to its accuracy or completeness. The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in the section "Risk Factors" beginning on page 31 of this Draft Letter of Offer.

Conversion rates for foreign currency:

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

(Rs. per unit of Foreign Currency)

Sr. No.	Name of Currency	As on October 16, 2023	As on March 31, 2023	As on March, 31, 2022	As on March 31, 2021	As on March 31, 2020
1	U.S. Dollar	83.21	82.18	75.90	73.20	75.33

Source: <https://www.poundsterlinglive.com/>



FORWARD LOOKING STATEMENTS

Our Company has included statements in this Draft Letter of Offer which contain words or phrases such as 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'expected to', 'future', 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'will continue', 'would', or other words or phrases of similar import. Similarly, statements that describe our objectives, strategies, plans or goals are also forward looking statements. However, these are not the exclusive means of identifying forward looking statements. Forward-looking statements are not guarantees of performance and are based on certain assumptions, future expectations, describe plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

Forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results to differ materially from our Company's expectations include, among others:

- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various business plans;
- Any failure or disruption of our information technology system;
- Increasing competition in or other factors affecting the industry segments in which our Company operates;
- Changes in laws and regulations relating to the industries in which we operate;
- Fluctuations in operating costs and impact on the financial results;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India or in other countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices; and
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the section titled "Risk Factors" beginning on page 31 of this Draft Letter of Offer. By their very nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections.

Whilst we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Draft Letter of Offer or the respective dates indicated in this Draft Letter of Offer, and our Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that



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described herein as anticipated, believed, estimated or expected. All subsequent forward- looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with SEBI / Stock Exchange requirements, our Company will ensure that Investors are informed of material developments until the time of the grant of listing and trading permission for the Rights Equity Shares by the Stock Exchange.



SECTION II – SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including, "Objects of the Issue", "Our Business", "Outstanding Litigation and other Defaults" and "Risk Factors" beginning on pages 59, 88, 111, and 31 respectively of this Draft Letter of Offer.

1. Summary of Business

Our Company was originally incorporated as Adi Rasayan Limited“ a private limited company vide a Certificate of Incorporation dated 16th November, 1992, issued by the Registrar of Companies, Gujrat, Dadra & Nagar Haveli under the provisions of the Companies Act, 1956. Subsequently, the name of our Company was changed to “Generic Pharmasec Limited” and a fresh certificate of incorporation dated 27th November, 2018 consequent upon change of name was issued by the Registrar of Companies, Ahmedabad. Thereafter, the name of our Company was further changed to “Genpharmasec Limited” and a fresh certificate of incorporation dated 25th October, 2021 consequent upon change of name was issued by the Registrar of Companies, Mumbai.

Equity Shares of our Company is listed at BSE Limited.

Our Current promoters namely, Mrs. Sneha Sadhwani and Mr. Rajesh Sadhwani acquired the company from existing promoters during the financial year 2018-19.

Our Company is engaged in the distribution of lucrative medical and diagnostics device segment. Our Company believes in providing best and new technology based medical and diagnostics device.

For further details, refer chapter titled “Our Business” on page 88.

Summary of Industry

The Indian medical diagnostic industry is expected to grow at around 14 per cent touching \$20 billion by 2026 from \$10 billion in 2021, estimated a report released by Praxis Global Alliance, a global management consulting and advisory services firm, on Tuesday.

The report highlighted that non-traditional competitors are entering the market due to attractive margins. “Players from adjacent service areas of the healthcare ecosystem have entered the diagnostics market and become more competitive. Examples include pharmaceutical companies (e.g., Lupin), Hospitals (e.g., Max, Aster DM, Sterling), Diagnostic service aggregators, and telehealth providers,” said the report.

The report said that the Indian medical diagnostic industry has emerged as a preferred play in India’s growing healthcare sector, driven by attractive margins and good headroom for growth. The report also caught some trends such as newer tests addressing critical and precise clinical needs. The industry is seeing growth in specialised tests which comprises 15-22 per cent by volumes and 40-45 per cent by value, the report said, adding that molecular is pathology poised to grow at 35-40 per cent year-on-year.



GENPHARMASEC LIMITED
(CIN- L24231MH1992PLC323914)

The diagnostic industry is characterised by a high degree of fragmentation with over 100,000 labs. This fragmentation challenges the capability, scalability, and quality of labs. On the other hand, it also provides an opportunity to consolidate newer business models to evolve.

“With attractive economics in the industry, the diagnostics market, which is still largely under-penetrated, is expected to consolidate further. Growth in Tier 2+ cities is likely to be driven by asset-light expansion, the use of remote diagnostics tools, and AI for image processing,” explained Nirnay Kumar, Manager, Healthcare, Praxis Global Alliance.

India exports plastic to more than 200 countries in the world. The top 5 consumer and houseware product importing countries are the USA, Germany Japan, the UK and France. India largely exports plastic and related products to the USA, China, UAE, Germany, Italy, the UK, Bangladesh, Nepal, Turkey, France, Viet Nam, Indonesia, etc. The total value of exports to the US, the largest consumer of the Indian plastic industry, stood at US\$ 2,430.8 million in 2021-22, an increase of 63.6% YoY. China is the second largest consumer of plastic export products from India and the total value of exports stood at US\$ 883.5 million. US and China constituted 18.21%, and 6.62%, of the total plastic exports in 2021-22.

The total plastic exports from India to France during 2021-22 was around US\$ 224.9 million. In order to boost exports to France and Europe, the PLEXCONCIL collaborated with Indo-French Chamber in the first quarter of 2021-22. The Minister for Commerce and Industry, Mr. Piyush Goyal, recently urged the industry to adopt international standards to help it expand its global footprint. India has recently signed a free-trade agreement with UAE and Australia, which will give the plastics industry new opportunities.

For further details, refer chapter titled “Our Industry” on page 71.

2. Object of the Issue

Our Company intends to utilize the issue Proceeds for the following object:

(Amount in Lakhs)				
S.No.	Particulars	Amounts	% of gross proceeds	% of Net proceeds
1.	To acquire Equity Shares from existing shareholders of Derren Healthcare Private Limited and making it subsidiary Company.	Upto 1,443.58*	29.46%	29.61%
2.	To repay or prepay, in Full or in part, of certain Borrowings availed by our Company.	Upto 588.00*	12.00%	12.06%
3.	To part finance the working capital of the Company.	Upto 1,650.00*	33.67%	33.85%
4.	To meet General corporate purposes	Upto 1193.42*	24.36%	24.48%
5.	To meet the expenses of the Issue	25.00	0.51%	-
	Total	Upto 4,900.00*	29.46%	-

**assuming full subscription*

For further details, refer chapter titled “Objects of the Issue” on page 59.



3. Intention and extent of participation by the Promoter and Promoter Group

The Promoters and Promoter Group of our Company have, vide their letters dated 23rd October, 2023 ("Subscription Letters") indicated that they shall not subscribe, jointly and / or severally the full extent of their Rights Entitlement (including any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group of our Company) and shall renounce their right entitlement.

Further, The Promoters and promoter group (either through one or more Promoter Group and either singly or jointly amongst any of them) shall subscribe to any unsubscribed portion of the Issue.

The acquisition of Additional Rights Equity Shares by the Promoter and Promoter Group, if any, shall not result in change in control of the management of the Company and shall be in accordance with the provisions of the SEBI Takeover Regulations and shall not result in breach of the minimum public shareholding requirements stipulated under the SEBI Listing Regulations.

As such, other than meeting the requirements indicated in the chapter titled "Objects of the Issue" at page 59 of this Draft Letter of Offer, there is no other intention / purpose for the Issue, including any intention to delist our Equity Shares, even if, as a result of any allotment in the Issue to our Promoter and / or the members of our Promoter Group, the shareholding of our Promoter and / or Promoter Group in our Company exceeds their current shareholding.

4. Auditor Qualifications

There are no qualifications, reservations and adverse remarks made by our Statutory Auditors in their report to Audited Financial statements of the Company for the financial year 2022-23 and 2021-22.

For further details, refer chapter titled "Financial Statements" on page 102.

5. Summary of outstanding litigations

S.No.	Outstanding Litigations	Amount (in Lakhs)
1.	Pending Litigations involving our Company and subsidiary Company	-
2.	Pending Dues to Revenue Departments	-
3.	Pending litigation with Revenue Departments	-

For further details, please see chapter titled "Outstanding Litigations and Other Defaults" beginning on page 111 of this Draft Letter of Offer.

6. Financial Summary

The following table depicts the summary of the financial information derived from the Audited financial statements of the Company for the preceding three financial years-

(Rs. in Lakhs except EPS and NAV per share)

Sr. No.	Particulars	For the year ended on		
		March 31, 2023	March 31, 2022	March 31, 2021
		Ind AS	Ind AS	Ind AS
1.	Share Capital	2,768.60	2,768.60	2,768.60

**GENPHARMASEC LIMITED**

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Sr. No.	Particulars	For the year ended on		
		March 31, 2023	March 31, 2022	March 31, 2021
2.	Net worth	2,990.67	2,878.19	2,899.12
3.	Revenue from operations	2,551.57	2,732.05	2,130.75
4.	Profit After Tax	112.48	(20.93)	125.74
5.	Earnings Per Share – Basic (Rs.)	0.04	(0.01)	0.05
6.	Earnings Per Share – Diluted (Rs.)	0.04	(0.01)	0.05
7.	NAV per Equity Shares	1.08	1.04	1.05
8.	Total Borrowings (As per Balance Sheet)	308.20	-	-

7. Risk Factors

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Letter of Offer.

For the details pertaining to the internal and external risk factors relating to the Company, kindly refer to the chapter titled “Risk Factors” beginning on page no. 31 of this Draft Letter of Offer.

8. Contingent liabilities

As on March 31, 2023, there are no contingent liabilities of our Company.

9. Related party transactions

For details regarding our related party transactions as per Ind AS 24, see "Financial Statements" beginning on page 102 of this Draft Letter of Offer.

10. Financing Arrangements

There has been no financing arrangement whereby our Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase, by any other person, of securities of our Company other than in the normal course of the business of the financing entity during the period of 6 (six) months immediately preceding the date of this Draft Letter of Offer.

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

Our Company has not issued any Equity Shares for consideration other than cash during the last one year immediately preceding the date of this Draft Letter of Offer.

12. Split/ Consolidation

There has been no sub division (face value split) in last one year from the date of this Draft Letter of offer.



13. Exemption from complying with any provisions of Securities Laws, if any, granted by SEBI

Our Company has not submitted any application to SEBI for exemption from complying with any provisions of Securities.



SECTION III - RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Draft Letter of Offer, including in "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations", and "Financial Statements" before making an investment in our Equity Shares.

The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition and results of operations could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the consequences of an investment in our Equity Shares and its impact on you.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to "we", "us" "our" refers to our Company.

INTERNAL RISK FACTORS

BUSINESS RELATED RISK

1. The Registered Office of Our Company is not owned by us.

We operate from our registered office situated at Office No. 104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd. Akurli Road Kandivali East Mumbai City MH 400101. The same has been taken on lease from Mrs. Kanta A Maheshwari to use the place situated at Office No. 104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd. Akurli Road Kandivali East Mumbai City MH 400101 as registered office. Any discontinuance of facility to use the office will lead us to locate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company. Any discontinuance of facility to use registered office will lead us to locate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company.

For further details please refer to section titled Our Business on page 88 of this Draft Letter of offer.

2. We have experienced negative cash flows and any negative cash flows in the future could adversely affect our financial conditions and results of operations.

The detailed break up of cash flows as per audited financials is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:



(Amount in Lakhs)			
Particulars	31.03.2023	31.03.2022	31.03.2021
Net Cash flow from Operating activities	(322.64)	(227.90)	(213.48)
Net Cash Flow from investing activities	53.79	41.82	(141.01)
Net Cash Flow from Financing activities	308.20	-	450.00
Net Cash Flow for the Year	38.55	(192.58)	95.51

3. Our Company has posted negative Income in the past.

Our Company has in the past incurred losses. There can be no assurance that we will be able to maintain the profitability in future. Following are the details:

(Amount in Lakhs)		
Particulars	31.03.2023	31.03.2022
Total Comprehensive Income	(3.92)	(529.20)

For further details, please refer to financial information beginning on page 102 of this Draft letter of offer.

4. We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business and failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, in a timely manner or at all may adversely affect our operation.

Being a Diagnostic Product company, we require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for a fixed period of time and need renewal from time to time. We are required to renew such permits, licenses and approvals periodically. There can be no assurance that the relevant authorities will issue such permits or approvals to our Company or that they will issue these in time. Further, these permits, licenses and approvals are subject to several conditions and our Company may not be able to continuously meet the conditions and this may lead to cancellation, revocation or suspension of relevant permits / licenses / approvals. Failure by our Company to renew, maintain or obtain the required permits, licenses or approvals or any contravention of or non-compliance with the terms of various regulatory approvals applicable to the our business operations may also require us to cease or limit production until such non-compliance is remedied to the satisfaction of relevant regulatory authorities resulting in the interruption of our Company's operations and may have a material impact on our business prospects, financial condition and cash flows.

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

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents 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.



- 6. Our ability to retain the clients is heavily dependent upon various factors including our reputation and our ability to maintain a high level of quality including our satisfactory performance for the customers. Any failure by us to retain or attract customers may impact its business and revenues.**

We believe our strong brand reputation has helped us to attract and retain our customers. As a result, our reputation and perception of our brands are critical to our business. Although, we believe that we as well as our customers have a dedicated and talented team that comprise of experienced personnel in the field of Diagnostic equipments. Our business heavily relies on our reputation as well as the quality and popularity of the product provided by us and our visibility and perception amongst customers. It is important that we retain the trust placed by our customers. We must also continue to attract more and increase the number of our customers at a consistent rate.

We attempt to retain our position by maintaining quality and by our ability to improve and add value to the performance of our customers in their respective areas. This requires constant upgradation of the methodology and technologies are adequately equipped. Failure to maintain and enhance our reputation or any actual or perceived reasons leading to reduction of benefits from our customers or any negative publicity against us may affect the rate of customers. Any failure by us to retain or attract customers may adversely impact our business and revenues.

- 7. Our Company does not have any long-term contracts with suppliers, which may adversely affect our results of operations.**

We are, to a major extent, dependent on external suppliers for our requirements and we do not have any long-term supply agreements or commitments in relation to the same or for any other products we deals in. There can be no assurance that there will not be a significant disruption in the supply of products from current sources or, in the event of a disruption, that we would be able to locate alternative suppliers of materials of comparable quality on terms acceptable to us, or at all. Identifying a suitable supplier involves a process that requires us to become satisfied with their quality control, responsiveness and service, financial stability and labour and other ethical practices. Consequently, we are also exposed to price fluctuations in products, and these fluctuations may adversely affect our ability to obtain orders and/or to execute them in a timely manner, which would have a material adverse effect on our business, results of operations and financial condition. In case of non-availability of products on favourable terms, we may have to procure the same at the terms and conditions prevalent at that point. This may result in reducing our revenues by a considerable amount due to shortage of products or due to inability to procure the same. Further, unfavourable terms of products may also force us to reduce the scale of our operations resulting in a down-sizing of our overall business. We may have to put on hold any expansion plans and our future growth will be severely stunted. Any delay, interruption or increased cost in the supply arising from a lack of long-term contracts could have an adverse effect on our ability to meet customer demand for our products and result in lower revenue from operations both in the short and long term.

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

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirement accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of supply or an



accumulation of excess inventory. The excess inventory will need storage space and block our liquidity resulting in to loss.

- 9. Some of our trading items are hazardous in nature. In the event of any accidents involving any such hazardous materials and substances, our Company may be held liable for subsequent damages and litigations.**

We are trading in pharmaceutical equipments which are hazardous in nature. Improper or negligent handling while trading and / or storing hazardous material and / or substances may cause personal injury or loss of life and may further lead to severe damage or destruction to property may result in to financial losses and criminal liabilities.

- 10. Our Company's failure to maintain the quality standards of the products could adversely impact our business, results of operations and financial condition.**

The demand for our products depends on quality that we trade and market. Any failure of ours to maintain the quality standards may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customer's quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

- 11. Delays or defaults in client payments could result in a reduction of our profits.**

We may be subject to working capital shortages due to delays or defaults in payments by clients. If clients defaults in their payments in due time to which we have devoted significant resources it could have a material adverse effect on our business, financial condition and results of operations and could cause the price of our Equity Shares to decline.

- 12. Changes in customer preferences could affect our business, financial condition, results of operations and prospects.**

Any change in the customer preference can render our old stock obsolete, as changes in customer preference are generally beyond our control. Some or all of our products may become less attractive in light of changing customer preferences or better products by competitors and we may be unable to adapt to such changes in a timely manner. However, we constantly focus on research and development and to develop new products to cater the customer needs, any change in customer preferences that decreases demand could affect our business, financial condition, results of operations and prospects.

- 13. We could become liable to customers, suffer adverse publicity and incur substantial costs as a result of defects in our products, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.**

Any failure or defect in our products could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. We currently carry no products liability insurance with respect to our products. Although we attempt to maintain quality standards, we cannot assure that



all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.

Also, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our company, brand, or products, including those arising from a drop in quality of merchandise from our vendors, mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations.

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

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

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

15. The industry segments in which we operate being fragmented, we face competition from other players, which may affect our business operations and financial conditions.

The industry in which we operate is highly competitive. Factors affecting our competitive success include, amongst other things, price, demand for our products, availability of same products, brand recognition and reliability. Our competitors vary in size, and may have greater financial, production, marketing, personnel and other resources than us and certain of our competitors have a longer history of established businesses and reputations in the Indian market as compared with us. Competitive conditions in some of our segments have caused us to incur lower net selling prices and reduced gross margins and net earnings. These conditions may continue indefinitely. Changes in the identity, ownership structure, and strategic goals of our competitors and the emergence of new competitors in our target markets may impact our financial performance. New competitors may include foreign-based companies and domestic producers who could enter our markets. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability.

16. Any adverse change in regulatory requirements governing our products and the products of our customers, may adversely impact our business, prospects, results of operations and financial condition.

Regulatory requirements with respect to our products and the products of our customers are subject to change. An adverse change in the laws governing our products and their usage by our customers, including the development of licensing requirements and technical standards and specifications or



the imposition of onerous requirements, may have an adverse impact on our operations. We may be required to alter our distribution process and target markets and incur capital expenditure to achieve compliance with such new regulatory requirements applicable to us and our customers. We cannot assure you that we will be able to comply with such changes or additional regulatory requirements.

If we fail to comply with new statutory or regulatory requirements, there could be a delay in the submission or grant of approval for marketing new products or we may be required to withdraw existing products from the market. Further, changes in regulatory requirements, may result in our customers being unable to utilise our products for products. There is an inherent risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products, which may adversely impact our business, prospects, results of operations and financial condition.

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

Modernization and technology up gradation is essential to reduce costs and increase the efficiency. Our technology 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 are utilizing latest technology by using latest machineries and equipments, we shall continue to strive to keep our technology updated. In case of a new found technology in the our sector, we may be required to implement new technology employed by us. Further, the cost in upgrading our technology is significant which could substantially affect our finances and operations.

18. Our success depends largely on our senior management and our ability to attract and retain our key personnel.

Our success depends on the continued services and performance of the members of our management team and other key employees. Competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of the services of our Promoters could seriously impair our ability to continue to manage and expand our business.

Further, the loss of any other member of our senior management or other key personnel may adversely affect our business, results of operations and financial condition. We do not maintain key man's life insurance for our Promoters, senior members of our management team or other key personnel.

19. We may not be successful in implementing our business and growth strategies.

The success of our business depends substantially on our ability to implement our business and growth strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational,



financial and other controls, none of which can be assured. Failure to implement our business and growth strategies would have a material adverse effect on our business and results of operations.

20. As on the date of this Draft Letter of Offer, no investor complaint is outstanding on SCORES.

As on the date of this Letter of Offer, no investor complaint is outstanding on SCORES. But there is no assurance that in future the Company will be able to resolve each and every investor complaint received on SCORES. For detailed information of the no. of Investor Complaints received and resolved by the Company, kindly refer to page 120 of this Draft letter of letter.

21. Insurance coverage obtained by us may not adequately protect us against unforeseen losses.

We have maintained few insurance coverage of our assets and accident policies. In the event we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected.

22. Delay in raising funds from the Right issue could adversely impact the implementation schedule.

The proposed expansion, 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 the expansion process within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

23. The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles "Objects of the Issue".

The fund requirement and deployment, as mentioned in the "Objects of the Issue" on page 59 of this Draft Letter of Offer 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.

24. Our future fund requirements, in the form of further issue of capital or securities may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing



Shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

25. Our Company's ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

Our Company has not been a dividend paying Company in last five years. Further, the amount of future dividend payments, if any, will depend upon our Company's future earnings, financial condition, cash flows, working capital requirements, the terms and conditions of our Company's indebtedness and capital expenditures. There can be no assurance that our Company will be able to pay dividends in the future.

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

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Draft Letter of offer. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their depend ability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics.

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

27. There is no monitoring agency appointed by our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by the Audit Committee.

As per SEBI (ICDR) Regulations, 2018 appointment of monitoring agency is required only for Issue size above Rs. 10,000 Lakhs. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the BSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public.



RISKS RELATING TO RIGHTS ISSUE

28. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of Investor's shareholding

The Rights Entitlements that are not exercised prior to the end of the Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted pursuant to increase in paid up share capital. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Rights Issue. Renouncees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the Demat Account of the Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Rights Issue with respect to such Rights Entitlements.

29. You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

30. There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

31. The Issue Price of our Right Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.

The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price.

There can be no assurance that the Investors will be able to sell their Equity Shares at or above the Issue Price. The factors that could affect our share price are:



- (a) quarterly variations in the rate of growth of our financial indicators such as earnings per share;
- (b) changes in revenue or earnings estimates or publication of research reports by analysts;
- (c) speculation in the press or investment community;
- (d) general market conditions; and
- (e) domestic and international economic, legal and regulatory factors unrelated to our performance.

EXTERNAL RISK FACTORS

32. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our business.

There could be a downgrade of India's sovereign debt rating due to various factors, including changes in tax or fiscal policy, or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available.

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, which may cause fluctuations in the prices of our Equity Shares. This could have an adverse effect on our business and financial performance, and ability to obtain financing for expenditures.

33. Investing in securities that carry emerging market risks can be affected generally by volatility in the emerging markets.

The markets for securities bearing emerging market risks, such as risks relating to India, are, to varying degrees, influenced by economic and securities market conditions in other emerging market countries. Although economic conditions differ in each country, investors' reactions to developments in one country may affect securities of issuers in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and the Indian economy in general.

Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India, which could adversely affect the Indian financial sector in particular. Any such disruption could have an adverse effect on our Company's business, future financial performance, financial condition and results of operations, and affect the price of the Equity Shares. Accordingly, the price and liquidity of the Equity Shares may be subject to significant fluctuations, which may not necessarily be directly or indirectly related to our financial performance.

34. Political instability or changes in the Government or Government policies could impact the liberalization of the Indian economy and adversely affect economic conditions in India generally.

The performance and growth of our Company is dependent on the health of the Indian economy and more generally the global economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates,



commodity and energy prices and various other factors. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. As a result, our business and the market price and liquidity of the Equity Shares may be affected by such economic and / or political changes. While the current Government is expected to continue the liberalization of India's economic and financial sectors and deregulation policies, there can be no absolute assurance that such policies will be continued. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally and specifically have an adverse effect on the operations of our Company.

35. Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect our business, prospects, results of operations and financial condition.

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade as well as the worldwide financial markets. The Asian region has from time to time experienced instances of civil unrest and hostilities among neighbouring countries which may persist and occur in the future. Military activity or terrorist attacks in India may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the World, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

36. Natural disasters and other disruptions could adversely affect the Indian economy and could cause our business and operations to suffer and the trading price of our Equity Shares to decrease.

Our operations, may be damaged or disrupted as a result of natural disasters such as earthquakes, floods, heavy rainfall, epidemics, tsunamis and cyclones and other events such as protests, riots and labour unrest. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations which could adversely affect our reputation, our relationships with our customers, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our infrastructure. We may also be liable to our customers for disruption in supply resulting from such damage or destruction. Our insurance coverage for such liability may not be sufficient. Any of the above factors may adversely affect our business, our financial results and the price of our Equity Shares.

37. Any future issuance of the Equity Shares may dilute your future shareholding and sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

Any future equity issuances by our Company may lead to dilution of your future shareholding in our Company. Any future equity issuances by our Company or sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Share. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Share. Except as otherwise stated in the Draft Letter of Offer, there is no restriction on our Company's ability to issue the Securities or the relevant shareholders' ability to dispose of their Equity Share, and there can be no assurance that our



Company will not issue Equity Share or that any such shareholder (including Promoters and Promoter Group) will not dispose of, encumber, or pledge its Securities.

38. The outbreak of Novel Coronavirus, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.

The outbreak, or threatened outbreak, of any severe epidemic caused due to viruses (particularly the Novel Coronavirus) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition and results of operations. The outbreak of Novel Coronavirus has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding Novel Coronavirus. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of Novel Coronavirus remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting Novel Coronavirus or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of Novel Coronavirus will cause an economic slowdown and it is possible that it could cause a global recession. The spread of Novel Coronavirus has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed.

The extent to which the Novel Coronavirus further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact Novel Coronavirus may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all of any impact from the spread of Novel Coronavirus or its consequences, including downturns in business sentiment generally or in our sector in particular. The degree to which Novel Coronavirus impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries



and impact the wellbeing of our people. Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

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

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.



SECTION IV- INTRODUCTION

THE ISSUE

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the chapter titled "*Terms of the Issue*" beginning on page 123 of this Draft Letter of Offer:

Authority for the Issue

The Equity Shares in the present Issue are being offered pursuant a resolution passed by our Board at its meeting held on 5th June, 2023 in accordance with the provisions of the Companies Act.

Summary of the Issue

Rights Equity Shares to be Issued	Upto fully paid up [●] Equity Shares
Rights Entitlement for Equity Shares	[●] ([●]) Fully paid up Rights Equity Shares for every [●] ([●]) fully paid-up Equity Share held on the Record Date.
Record Date	[●]
Face value per Equity Share	Re. 1 each
Issue Price per Rights Equity Share	Rs. [●] per Rights Equity Share
Issue Size	Upto Rs. 4900.00 Lakhs
Equity Shares outstanding prior to the Issue	27,68,59,850 fully paid up Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	[●] fully paid up Equity Shares
ISIN and Symbol	ISIN: INE861N01036, BSE Scrip Code: 531592
Terms of the Issue	For more information, please see the chapter titled " <i>Terms of the Issue</i> " beginning on page 123 of this Draft Letter of Offer.
Use of Issue Proceeds	For more information, please see the chapter titled " <i>Objects of the Issue</i> " beginning on page 59 of this Draft Letter of Offer.
Terms of Payment	The full amount of Issue Price Rs. [●] per Rights Equity Share is payable on Application.

For details in relation fractional entitlements, see "Terms of the Issue - Fractional Entitlements" beginning on page 142 of this Draft Letter of Offer.

Terms of payment

Due Date	Amount payable per Equity Shares
On the Issue application (i.e. along with the Application Form)	Rs. [●]



SUMMARY OF FINANCIAL STATEMENTS

The summary financial information of our Company as derived from the Audited Financial Statements of our Company for the financial year ended on March 31, 2023 and Unaudited financial results for the quarter ended on June 30, 2023 and is reproduced below. Our summary financial information should be read in conjunction with the financial statements and the notes (including the significant accounting principles) thereto included in chapter titled “*Financial Statements*” beginning on page 102 of this Draft Letter of Offer.

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GENPHARMASEC LIMITED
(CIN- L24231MH1992PLC323914)

AUDITED PROFIT AND LOSS FOR THE PERIOD ENDING 31ST MARCH, 2023

GENPHARMASEC LIMITED (FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED) Statement of Profit and Loss for the year ended 31st March, 2023 (Amount in Lakhs)				
Particulars	Note No	For the year ended 31st March, 2023	For the year ended 31st March, 2022	
I) Revenue From Operations	17	2,551.57	2,732.05	
II) Other Income	18	10.01	9.26	
III) Total Revenue (I+II)		2,561.58	2,741.31	
IV) Expenses :				
Purchase of Stock-in-Trade	19	2,318.40	2,877.33	
Changes in Inventory of Finished goods, Work-in-Progress and Stock-in-Trade	20	21.34	(220.81)	
Employee Benefit Expenses	21	53.67	25.45	
Finance Cost		5.60	-	
Depreciation and Amortization Expenses	2	1.97	1.42	
Other Expenses	22	132.45	102.21	
Total Expenses (IV)		2,533.42	2,785.62	
V) Profit (Loss) Before exceptional items and tax (III-IV)		28.16	(44.31)	
VI) Exceptional Items		-	-	
VII) Profit before tax (V-VI)		28.16	(44.31)	
VIII) Tax Expenses				
i) Current Tax		-	23.39	
ii) Earlier taxes		84.32	(0.02)	
iii) Deferred Tax				
IX) Profit (Loss) from Continuing Operations (VII-VIII)		112.48	(20.94)	
X) Other Comprehensive income;				
A (i) Items that will not be reclassified to profit or loss		(116.40)	(508.27)	
B (i) Items that will be reclassified to profit or loss		-	-	
Total Comprehensive Income for the period (Comprising profit/ (loss) and other Comprehensive Income for the period (IX+X))		(3.92)	(529.21)	
XII) Earnings per Equity Shares	23			
1) Basic		0.04	(0.01)	
2) Diluted		0.04	(0.01)	
XIII) Nominal Value of share (in Rs.)		1.00	1.00	

See accompanying notes to the financial statement "1-48"

As per our report of even date
For Abhishek S Tiwari & Associates
Chartered Accountants
Firm number: 141048W

Partner: Abhishek Tiwari
Membership No. 155947
Place: Mumbai
Date :26.05.2023
UDIN : 23155947BGSTQQ9157

For and on behalf of the Board
GENPHARMASEC LIMITED
(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)

Rajesh Sadhwani
(Non- Executive Director)
DIN :08315182

Ulhas N. Deosthale
Director
DIN:09215291

Sohan Chaturvedi
(CFO)
DIN : 09629728

Heta Deepak Shah
Company Secretary
M.No.: A69749





GENPHARMASEC LIMITED
(CIN- L24231MH1992PLC323914)

AUDITED BALANCE SHEET AS ON 31ST MARCH, 2023

GENPHARMASEC LIMITED (FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED) Balance sheet as at 31st March, 2023 (Amount in Lakhs)			
Particulars	Notes No.	As At 31st March 2023	As At 31st March 2022
Assets			
(1) Non-Current Assets			
(A) Property, Plant And Equipment	2	10.00	10.37
(B) Financial Assets			
(i) Investments		-	-
(C) Deferred Tax Asset (Net)	3	84.61	0.29
Total Non-Current Assets		94.61	10.66
(2) Current Assets			
(A) Inventories	4	967.55	988.89
(B) Financial Assets			
(i) Investments	5	95.35	245.00
(ii) Trade Receivables	6	570.92	644.81
(iii) Cash And Cash Equivalents	7	39.76	160.66
(IV) Bank Balance Other Than (iii) Above	7	159.55	0.10
(V) Loans	8	48.13	67.99
(C) Current Tax Assets (Net)	9	0.76	26.36
(D) Other Current Asset	10	10.90	20.56
Total Current Assets		1,892.92	2,154.37
Total Assets		1,987.53	2,165.03
Equity And Liabilities			
Equity			
(A) Equity Share Capital	11	2,768.60	2,768.60
(B) Other Equity	12	(1,235.56)	(1,231.65)
Total Of Equity		1,533.04	1,536.95
Liabilities			
(1) Non-Current Liabilities			
(A) Financial Liabilities			
(i) Borrowings	13	248.12	-
Total Non-Current Liabilities		248.12	-
(2) Current Liabilities			
(A) Financial Liabilities			
(i) Borrowings	14	60.08	-
(ii) Trade Payables			
A) Total Outstanding Dues Of Micro Enterprises And Small Enterprises	15	-	-
B) Total Outstanding Dues Of Creditors Other Than Micro Enterprises And Small Enterprises	15	137.00	622.06
(B) Other Current Liabilities	16	9.29	6.01
Total Current Liabilities		206.37	628.07
Total Equity And Liabilities		1,987.53	2,165.02
See accompanying notes to the financial statement As per our report of even date "1-48" For Abhishek S Tiwari & Associates Chartered Accountants Firm number: 141048 W Partner: Abhishek Tiwari Membership No. 155947 Place: Mumbai Date :26.05.2023 UDIN : 23155947BGSTQQ9157			
For and on behalf of the Board GENPHARMASEC LIMITED (FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED) Rajesh Sadhwani (Non- Executive Director) DIN :08315182 Ulhas N. Deosthale Director DIN:09215291 Sohan Chaturvedi (CFO) DIN : 09629728 Heta Deepak Shah Company Secretary M.No.: A69749			



GENPHARMASEC LIMITED
(CIN- L24231MH1992PLC323914)

AUDITED CASH FLOW STATEMENT FOR THE PERIOD ENDING 31ST MARCH, 2023

GENPHARMASEC LIMITED (FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED) Cash Flow Statement for the year ended 31st March, 2023 (Amount in Lakhs)		
PARTICULARS	For the year ended 31st March 2023	For the year ended 31st March 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax and Extra Ordinary items	28.16	(44.31)
Adjustment for:-		
Depreciation	1.97	1.42
Loss on sale of Assets	-	0.92
Dividend Received	(0.00)	(0.03)
Interest on FD measured at Amortised cost	(2.27)	(0.10)
Interest Income on income tax refund	(0.80)	(6.50)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	27.05	(48.59)
Adjustment for:-		
(Increase)/decrease Trade and Other Receivables	73.89	107.67
Increase/(decrease) Trade Payables	(485.06)	(89.49)
Increase/(decrease) Other Current Liabilities	3.28	2.08
(Increase)/decrease in Inventories	21.34	(220.81)
(Increase)/decrease Others Current Assets	9.66	16.74
(Increase)/decrease Non Current Assets	-	1.26
(Increase)/decrease Others Current Liabilities	-	(0.29)
CASH GENERATED FROM OPERATIONS	(376.89)	(182.85)
Income tax refund / (tax paid)-Net	26.40	(26.36)
Last Year Direct Taxes Paid	-	23.39
I NET CASH FLOW FROM OPERATING ACTIVITIES	(323.44)	(234.41)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1.60)	(8.05)
Sale of Fixed Assets	-	0.17
Interest on FD	2.27	0.10
Dividend Received	0.00	0.03
Proceeds from Sale of Investment	33.25	27.34
Loans Given/ Repayments Received (Net)	19.86	15.74
Interest Income	-	6.50
II NET CASH USED IN INVESTING ACTIVITIES	53.79	41.82
C CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings	308.20	-
III NET CASH USED IN FINANCING ACTIVITIES	308.20	-
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS (I + II + III)	38.55	(192.59)
Add:- CASH & CASH EQUIVALENTS AS AT BEGINNING	160.76	353.35
CLOSING BALANCE OF CASH & CASH EQUIVALENTS (Refer Note 7)	199.31	160.76

For Abhishek S Tiwari & Associates
Chartered Accountants
Firm number: 141048W

Partner: Abhishek Tiwari
Membership No. 155947
Place: Mumbai
Date :26.05.2023
UDIN : 23155947BGSTQQ9157

Rajesh Sadhwani
(Non- Executive Director)
DIN :08315182

Ulhas N. Deosthale
Director
DIN:09215291

For and on behalf of the Board
GENPHARMASEC LIMITED
(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)

Sohan Chaturvedi
(CFO)
DIN : 09629728

Heta Deepak Shah
Company Secretary
M.No.: A69749



GENPHARMASEC LIMITED
(CIN- L24231MH1992PLC323914)

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 30TH JUNE, 2023

<p align="center">GENPHARMASEC LIMITED (FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED) CIN No. L24231MH1992PLC323914 Registered Office:-104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd.Akurli Road Kandivali East Mumbai 400101 Statement of Standalone Unaudited Financial Results for the Quarter Ended on 30th June,2023</p>				
(Rs. In Lakhs)				
Particulars	Quarter Ended		Year Ended	
	30-06-2023 (Unaudited)	31-03-2023 (Audited)	30-06-2022 (Unaudited)	31-03-2023 (Audited)
1 Revenue from Operations	596.40	621.65	687.62	2,551.57
2 Other Income	11.19	5.80	2.35	10.01
3 Total Revenue (1 + 2)	607.59	627.44	689.97	2,561.58
4 Expenses				
Purchase of stock-in-trade	615.96	630.14	553.61	2,318.40
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(173.21)	(99.26)	108.04	21.34
Employee benefits expense	19.79	16.89	8.60	53.67
Depreciation and amortisation expense	0.70	0.60	0.42	1.97
Finance Cost	6.29	5.60	-	5.60
Other expenses	131.60	53.23	40.65	132.45
Total expenses	601.13	607.21	711.32	2,533.42
5 Profit/(Loss) Before Exceptional item and Tax (3-4)	6.46	20.24	(21.35)	28.16
6 Exceptional items	-	-	-	-
7 Profit/(Loss) Before Tax (5-6)	6.46	20.24	(21.35)	28.16
8 Tax expense				
(1) Current Tax	-	-	-	-
(2) Deferred Tax	(3.84)	84.32	-	84.32
(3) Prior period Tax	-	-	-	-
9 Profit / (Loss) from continuing operations (7 - 8)	2.61	104.56	(21.35)	112.48
10 Profit / (Loss) from discontinuing operations	-	-	-	-
11 Tax expense of discontinuing operations	-	-	-	-
12 Profit/(loss) from Discontinuing operations (after tax)	-	-	-	-
13 Profit/(Loss) for the period (9+12)	2.61	104.56	(21.35)	112.48
14 Other Comprehensive Income;				
A (i) Items that will not be reclassified to profit or loss	78.33	(14.32)	(41.64)	(116.40)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
B (i) Items that will be reclassified to profit or loss	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Total Comprehensive Income for the period (13+14) (Comprising profit/(loss) and other Comprehensive Income for the period	80.94	90.24	(62.99)	(3.92)
15				
16 Paid-up Equity Share Capital (Face value of equity share is Rs.1/- each)	2,768.60	2,768.60	2,768.60	2,768.60
17 Other Equity				(1,235.56)
Earnings per equity share (for discontinued & continuing operations) of face value of Rs. 10 each				
18 (a) Basic	0.00	0.04	(0.01)	0.04
(b) Diluted	0.00	0.04	(0.01)	0.04



Handwritten signature



GENPHARMASEC LIMITED
(CIN- L24231MH1992PLC323914)

GENERAL INFORMATION

Our Company was originally incorporated as Adi Rasayan Limited“ a private limited company vide a Certificate of Incorporation dated 16th November, 1992, issued by the Registrar of Companies, Gujrat, Dadra & Nagar Haveli under the provisions of the Companies Act, 1956. Subsequently, the name of our Company was changed to “Generic Pharmasec Limited” and a fresh certificate of incorporation dated 27th November, 2018 consequent upon change of name was issued by the Registrar of Companies, Ahmedabad. Thereafter, the name of our Company was further changed to “Genpharmasec Limited” and a fresh certificate of incorporation dated 25th October, 2021 consequent upon change of name was issued by the Registrar of Companies, Mumbai.

OFFICE(S) OF OUR COMPANY

REGISTERED OFFICE

GENPHARMASEC LIMITED

Office No. 104 & 105,
1st Floor Gundecha Industrial Premises Co-op Soc. Ltd.
Akurli Road Kandivali,
East Mumbai City MH 400101
CIN: L24231MH1992PLC323914
Email: compliance@genpharmasec.com
Website: www.genpharmasec.com
Tel: +91- 86555 50242

ADDRESS OF REGISTRAR OF COMPANIES

Registrar of Companies, Mumbai, Maharashtra
Address: 5th Floor, 100,
Everest Building,
Netaji Subhash Road, Marine Dr, Mumbai,
Maharashtra 400002.

CHANGES IN REGISTERED OFFICE

Our Company has shifted its Registered Office in last five years, the details of which are set out below:

Date of Change of Registered Office	Old Address	New Address	Reason for Change
10.03.2020	Office No. 104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd. Akurli Road Kandivali East Mumbai MH-400101	7th Floor, Purva Plaza, Simpoli Signal, Near Reliance Energy, Off S.V. Road, Borivali (West) Mumbai MH- 400092	Administrative
01.05.2019	7th Floor, Purva Plaza, Simpoli Signal, Near Reliance Energy, Off S.V. Road, Borivali (West)	Upper site Shop No. 156, 1st Floor, Raghuleela Megamall, Behind Poisar Depot, S.V	Administrative



GENPHARMASEC LIMITED

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Date of Change of Registered Office	Old Address	New Address	Reason for Change
	Mumbai MH- 400092	Road Kandivali Mumbai MH-400067	
20.03.2019	Upper site Shop No. 156, 1st Floor, Raghuleela Megamall, Behind Poisar Depot, S.V Road Kandivali Mumbai MH-400067	D/1105, Titanium City Center, Nr. Sachin Tower, 100ft, Anandnagar Road, Satellite, Ahmedabad Gujarat- 380015	Administrative
05.12.2018	D/1105, Titanium City Center, Nr. Sachin Tower, 100ft, Anandnagar Road, Satellite, Ahmedabad Gujarat- 380015	G/C, Ground Floor, Trupti Apartment, B/H. Old High Court, Navrangpura, Ahmedabad Gujarat-380009	Administrative

BOARD OF DIRECTORS OF OUR COMPANY

NAME	DESIGNATION	DIN	PAN	ADDRESS
Mr. Ulhas Narayan Deosthale	Executive Director	09215291	AFHPD4239C	A/ 404, Sai Sanskar, Off Sion- Trombay Road, Opp. Saras Baug, Deonar, Mumbai 400088
Mr. Rajesh Mirchumal Sadhwani	Non-Executive Non-Independent Director	08315182	BHFPS0322A	1004, Bldg. 5, Marina Residence, Palm Jumeirah, Dubai, UAE
Ms. Sneha Sadwani	Non- Executive Non- Independent Director	08315181	CFMPS7251E	1004, Bldg. 5, Marina Residence, Palm Jumeirah, Dubai, UAE
Mr. Sachin Prakash Aphandakar	Non- Executive Independent Director	08715329	AIFPA2761B	19, Ashirwad Niwas, Ganesh Nagar, Ganesh Ground, Dahisar (East), Mumbai - 400068
Mr. Siddhesh Shankar Shende	Non- Executive Independent Director	09629926	CSOPS9696C	Room No. 3, Harinandan Yadav Mishra Chawl, Pratap Nagar, Mumbai, Maharashtra- 400060

**GENPHARMASEC LIMITED**

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NAME	DESIGNATION	DIN	PAN	ADDRESS
Mr. Mayur Bharatbhai Bhatt	Non- Executive Independent Director	08715614	BHAPB9185K	Room 3/3, Prabhalal Chawl, Rawal Pada, Near Ganesh Nagar, S N Dubey Road, Dahisar East Mumbai 400068

For more details, please see the section titled "Our Management" on page 92 of this Draft Letter of Offer.

COMPANY SECRETARY & COMPLIANCE OFFICER:**Ms. Heta Deepak Shah**

Office No. 104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd.

Akurli Road Kandivali East Mumbai City MH 400101

Email: compliance@genpharmasec.com

Website: www.genpharmasec.com

Tel: +91- 86555 50242

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSB where the Application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "Terms of the Issue" beginning on page 123 of this Draft Letter of Offer.

CHIEF FINANCIAL OFFICER:**Mr. Sohan Chaturvedi**

Office No. 104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd.

Akurli Road Kandivali East Mumbai City MH 400101

Email: info@genpharmasec.com

Website: www.genpharmasec.com

Tel: +91- 86555 50242

ADVISOR TO THE ISSUE:**Navigant Corporate Advisors Limited**

423, A Wing, Bonanza, Sahar Plaza Complex,

J B Nagar, Andheri Kurla Road,

Andheri East, Mumbai-400 059

Tel.No. +91-22-41204837/49735078

Email Id- navigant@navigantcorp.com

Investor Grievance Email: info@navigantcorp.com

Website: www.navigantcorp.com

SEBI Registration Number: INM000012243

Contact Person: Mr. Sarthak Vijlani



REGISTRAR TO THE ISSUE

M/s Satellite Corporate Services Private Limited

Satellite Corporate Services Pvt Ltd, Office no. 106 & 107, Dattani Plaza, East West Compound, Andheri Kurla Road, Sakinaka, Mumbai, Maharashtra-400072.

Tel No.: 022 - 28520461 / 28520462

Website: www.satellitecorporate.com

E-mail ID: services@satellitecorporate.com, info@satellitecorporate.com

Contact Person: Mr. Michael Monteiro

SEBI Registration No: INR000003639

STATUTORY AUDITORS:

M/s. Abhishek S Tiwari & Associates

Chartered Accountants

Office: 201, Mukund Palace, New Golden Nest Road, Bhayander (East), Dist. - Thane, Maharashtra- 401105

Email: caabhishek2012@gmail.com

Phone: 9029326651

Contact Person: Mr. Abhishek Tiwari, Partner

EXPERT OPINION

Our Company has not obtained any expert opinion.

BANKER TO THE ISSUE AND REFUND BANK:

[•]

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSB for the ASBA process is provided on <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. Details relating to Designated Branches of SCSBs collecting the ASBA application forms are available at the above mentioned link.

Credit rating

This being a Rights Issue of Equity Shares, no credit rating is required.

Debenture Trustee

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



Monitoring Agency

Since the size of the Issue is less than Rs. 10,000 Lakh, our Company is not required to appoint a monitoring agency.

Appraising Agency

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

Underwriting

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

Minimum Subscription

The objects of the Issue are meeting the Acquisition of Shares of Derren Healthcare Private Limited (DHPL) from existing shareholders and to repay or prepay, in Full or in part, of certain Borrowings availed by our Company, part financing the working capital requirement and General Corporate Purpose.

The Promoters and Promoter Group of our Company have, vide their letters dated 23rd October, 2023 ("Subscription Letters") indicated that they shall not subscribe, jointly and / or severally the full extent of their Rights Entitlement (including any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group of our Company) and shall renounce their right entitlement. Accordingly, in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirement of minimum subscription is applicable to the Issue.

Further, Promoters and promoter group of our Company has, vide Subscription Letter, expressed that it reserves the right to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements (including unsubscribed portion of the Issue, if any), subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations.

FILLING OF THIS DRAFT LETTER OF OFFER:

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3(b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, this Draft Letter of Offer will be filed with the Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

ISSUE SCHEDULE:

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:



Issue Opening Date	[●]
Last Date of Market renunciation of rights entitlements#	[●]
Issue Closing Date*	[●]

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

* Our Board or the Rights Issue Committee, duly constituted and authorized by the Board of Directors, thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●].

Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company or the Registrar will not be liable for any loss on account of non-submission of Application Forms on or before the Issue Closing Date. For details on submitting Application Forms, see "Terms of the Issue - Process of making an Application in the Issue" beginning on page 124 of this Draft Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at www.satellitecorporate.com after keying in their respective details along with other security control measures implemented thereat. For further details, see "Terms of the Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders" beginning on page 137 of this Draft Letter of Offer.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.



CAPITAL STRUCTURE

The share capital of our Company as on the date of this Draft Letter of Offer is set forth below:

(Rs. in Lakh, except the shares data)

	Particulars	Aggregate value at face value	Aggregate value at Issue Price
A.	AUTHORIZED SHARE CAPITAL		
	56,00,00,000 Equity Shares of Re. 1 each	5,600.00	-
B.	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE		
	27,68,59,850 Equity Shares of Re. 1 each	2768.60	-
C.	PRESENT ISSUE BEING OFFERED TO THE EXISTING EQUITY SHAREHOLDERS THROUGH THIS DRAFT LETTER OF OFFER ⁽¹⁾		
	Upto [●] Equity Shares at an Issue Price of Rs. [●] per Equity Share	[●]	[●]
D.	ISSUED, SUBSCRIBED AND PAID UP CAPITAL AFTER THE ISSUE ⁽²⁾		
	Upto [●] Equity Shares of face value of Re. 1 each fully paid up	[●]	[●]
E.	SECURITIES PREMIUM ACCOUNT		
	Before the Issue		-
	After the Issue		[●]

(1) The Issue has been authorized by a resolution of our Board passed at its meeting held on 5th June, 2023 pursuant to Section 62 of the Companies Act, 2013.

(2) Assuming full subscription for and allotment of the Rights Entitlement.

Notes to the Capital Structure:

- Our Company does not have any employee stock option scheme or employee stock purchase scheme.
- Our Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities convertible at a later date into Equity Shares, as on the date of this Draft Letter of Offer, which would entitle the holders to acquire further Equity Shares.

3. Shareholding of Promoter and Promoter Group:

The details of specified securities held by the Promoter and Promoter Group including the details of lock-in, pledge and encumbrance on such securities as on the date of this Draft Letter of Offer are set forth hereunder:



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Sr. No.	Name of Promoter Promoter Group	Category	No. of Equity Shares held	% of total share capital	Details of Equity Shares pledged/ encumbered		Details of Equity Shares locked-in	
					No. of Equity Shares	% of total share capital	No. of Equity Shares	% of total share capital
1.	Rajesh Sadhwani	Promoter	7,30,00,000	26.37	-	-	40,00,000	5.48
2.	Sneha Sadhwani	Promoter	9,30,01,000	33.59	-	-	2,00,00,000	21.51

Except as mentioned above, None of the Equity Shares held by our Promoter and Promoter Group are pledged with any bank or institution, locked-in or otherwise.

4. None of our Promoter or Promoter Group have acquired any securities in the last one year, immediately preceding the date of filing of this Draft Letter of Offer.

5. Intention and extent of participation in the Issue by the Promoter and Promoter Group

The Promoters and Promoter Group of our Company have, vide their letters dated 23rd October, 2023 ("Subscription Letters") indicated that they shall not subscribe, jointly and / or severally the full extent of their Rights Entitlement (including any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group of our Company) and shall renounce their right entitlement.

Further, The Promoters and promoter group (either through one or more Promoter Group and either singly or jointly amongst any of them) shall subscribe to any unsubscribed portion of the Issue.

The acquisition of Additional Rights Equity Shares by the Promoter and Promoter Group, if any, shall not result in change in control of the management of the Company and shall be in accordance with the provisions of the SEBI Takeover Regulations and shall not result in breach of the minimum public shareholding requirements stipulated under the SEBI Listing Regulations.

As such, other than meeting the requirements indicated in the chapter titled "Objects of the Issue" at page 59 of this Draft Letter of Offer, there is no other intention / purpose for the Issue, including any intention to delist our Equity Shares, even if, as a result of any allotment in the Issue to our Promoter and / or the members of our Promoter Group, the shareholding of our Promoter and / or Promoter Group in our Company exceeds their current shareholding.

In case the Rights Issue remains unsubscribed and / or minimum subscription is not achieved, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and the Equity Shareholders and in compliance with the applicable laws.

6. All the Equity Shares of our Company are fully paid-up as on the date of this Draft Letter of Offer. Further, the Equity Shares offered in the Rights Issue shall be made fully paid at the time of their allotment.
7. At any given time, there shall be only one denomination of the Equity Shares of our Company, excluding any equity shares with superior rights, if any, issued by our Company.



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8. The ex-rights price per Equity Share arrived in accordance with Regulation 10(4)(b) of the SEBI Takeover Regulations is [●].
9. The details of the shareholders holding more than 1% of the share capital of the Company as on September 30, 2023 are as under:

Sr. No.	Name of Shareholders	No. of Equity Shares held	% of total share capital
1	Sneha Sadhwani	9,30,01,000	33.59
2	Rajesh Sadhwani	7,30,00,000	26.37
3	Mitul Ravilal Patel Huf	59,99,800	2.17
4	Manish Ravilal Patel Huf	48,48,600	1.75
5	Dinesh Ravilal Patel Huf	47,99,800	1.73
6	Jigney Bhachech Huf	33,66,376	1.22

10. Shareholding Pattern of our Company

Shareholding Pattern of the Equity Shares of our Company as per the last filing with the Stock Exchange, i.e., as on September 30, 2023 can be accessed on the website of the BSE respectively at
<https://www.bseindia.com/stock-share-price/genpharmasec-ltd/genpharma/531592/shareholding-pattern/>

The statement showing the holding of Equity Shares of persons belonging to the category “Promoter and Promoters Group” as on September 30, 2023 can be accessed on the website of the BSE at
<https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=531592&qtrid=117.00&QtrName=March%202023>

The Statement of showing the details of shares pledged, encumbrance by promoters and promoter group as on September 30, 2023 can be accessed on the website of the BSE at
<https://www.bseindia.com/stock-share-price/genpharmasec-ltd/genpharma/531592/shareholding-pattern/>



OBJECTS OF THE ISSUE

Our Company proposes to utilize the net proceeds from the Issue towards funding the following objects.

1. To acquire Equity Shares from existing shareholders of Derren Healthcare Private Limited and making it subsidiary Company;
2. To repay or prepay, in Full or in part, of certain Borrowings availed by our Company.
3. To part finance the requirement of Working Capital;
4. To meet General corporate purposes;
5. To meet the expenses of the Issue.

Collectively, referred herein as the "objects".

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

Utilization of Net Proceeds

The details of the proceeds of the Issue are summarized below:

(Rs. In Lakhs)

S. No.	Particulars	Amounts*
1)	Gross Proceeds	Upto 4,900.00
2)	(Less) Issue related expenses*	Upto 25.00
3)	Net Proceeds	Upto 4,875.00

* To be finalized on determination of Issue Price.

FUND REQUIREMENTS

We intend to utilise the Net Proceeds from the Issue, in the manner set below:

(Rs. In Lakhs)

S.No.	Particulars	Amounts	% of gross proceeds	% of Net proceeds
1.	To acquire Equity Shares from existing shareholders of Derren Healthcare Private Limited and making it subsidiary Company.	Upto 1,443.58*	29.46%	29.61%
2.	To repay or prepay, in Full or in part, of certain Borrowings availed by our Company.	Upto 588.00*	12.00%	12.06%
3.	To part finance the working capital of the Company.	Upto 1,650.00*	33.67%	33.85%
4.	To meet General corporate purposes	Upto 1193.42*	24.36%	24.48%
	Total	Upto 4,875.00*		-

* To be finalized on determination of Issue Price.



Schedule of implementation/ Utilization of Issue Proceeds

Our Company proposes to deploy the issue Proceeds in the aforesaid objects as follows:

(Rs. In Lakhs)

Sr. No.	Particulars	Amount Proposed to be Deployed from Issue Proceeds	Estimated Schedule of Deployment of Net Proceeds
			FY 2023-24
1.	To acquire Equity Shares from existing shareholders of Derren Healthcare Private Limited and making it subsidiary Company.	Upto 1,443.58*	Upto 1,443.58*
2.	To repay or prepay, in Full or in part, of certain Borrowings availed by our Company.	Upto 588.00*	Upto 588.00*
3.	To part finance the working capital of the Company.	Upto 1,650.00*	Upto 1,650.00*
4.	To meet General corporate purposes	Upto 1193.42*	Upto 1193.42*
5.	To meet the expenses of the Issue	25.00	25.00
	Total	Upto 4,900.00*	Upto 4,900.00*

* To be finalized on determination of Issue Price.

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

MEANS OF FINANCE:

The fund requirements set out below are proposed to be funded from the Net Proceeds and internal accruals. We confirm that we are in compliance with the requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

The fund requirement and deployment is based on internal management estimates and our Company's current business plan and is subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy. These estimates have not been appraised by any bank or financial institution.

Any amount, deployed by our Company out of internal accruals towards the aforementioned objects till the date of receipt of Issue Proceeds shall be recouped by our Company from the Issue Proceeds of the Issue. In case of delays in raising funds from the Issue, our company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

As we operate in competitive environment, we may have to revise our expenditure and fund requirements as a result of variations in cost estimates, exchange rate fluctuations and external factors which may not be within the control of our management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the objects. 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 31 of this Draft Letter of offer.

DETAILS OF THE OBJECTS

The details of the objects of the Issue are set out below:

1. TO ACQUIRE EQUITY SHARES FROM EXISTING SHAREHOLDERS OF DERREN HEALTHCARE PRIVATE LIMITED AND MAKING IT SUBSIDIARY COMPANY.

Our company has entered into a Share purchase agreement (SPA) dated 19th September, 2023 with M/s. Derren Healthcare Private Limited (DHPL) and its shareholders to acquire 70% stake in DHPL in a staged manner over a period of 1 (one) year.

The Acquisition would be in line with the Company long-term strategic objective and aiming to create a differentiated scale play in Pharma and the Company expects to create significant value by leveraging combined capabilities and unlock synergies.

DHPL is a research-oriented company aiming at the development of high-quality pharmaceutical products both in the field of generics and innovative finished formulations. DHPL Contract Research Organization-CRO & CDMO provides multiple research services for Pharmaceutical and Generic Drug Industries for both Indian & International companies. Following are the brief details:

- The transaction includes 70% stake in DHPL covering all manufacturing plant along with land and building in DHPL located at Plot No. 33, 35/P & 36/P, Xcelon Industrial Estate Ahmedabad Gujarat 382213;
- DHPL, has diversified portfolio of 100+ approved products and a strong R&D product pipeline of additional 20 products.
- The manufacturing facility of DHPL spans ~40,000 sq. ft. with a production area of 7,000 sq. ft. and a dedicated QA/QC area of 300 sq. ft, with 2 independent lines for vials & ampules respectively.
- DHPL has a unique capability to manufacture small to big size batches from 50 liters going upto 500 liters, which can be filled into vials & ampules. The current Installed capacity of DHPL stands at 8,64,00,000 vials per annum (240 vials/ minute) & 8,64,00,000 ampules per annum (240 ampules/ minute). DHPL also has a dedicated area for future expansion into Pre-Filled Syringes.
- DHPL also brings with it highly experienced employees /leadership team, which will be further strengthened with significant pharma industry experience sitting both at executive and board level;
- DHPL is planned to be acquired by the Company as a subsidiary.

At present, the shareholding of DHPL is as follows: -

Name of Shareholder	No of share held	% holding
Rahul R. Maheshwari	15,00,000	30.00
Vibhava Kumar Singh	35,00,000	70.00%



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Name of Shareholder	No of share held	% holding
Total	50,00,000	100.00%

As a part of strategic development and increase the footprints in pharma sector, our company intends to deploy Rs. 1,443.58 lakhs towards investment in DHPL by way of Acquisition of Equity shares from its existing shareholders namely, Vibhava Kumar Singh to our company at the Fair Market Value determined by an independent registered valuer or such other person as may be authorised to do so, for a consideration payable in cash out of the issue proceeds.

Pursuant to this transfer, the shareholding of our company shall increase to 70.00% post deployment of issue proceeds and thus making it our subsidiary. The tentative revised shareholding post deployment is presented in the table below:

Name of Shareholder	No of share held	% holding
Rahul R. Maheshwari	15,00,000	30.00
Genpharmasec Limited	35,00,000	70.00%
Total	50,00,000	100.00%

2. TO REPAY OR PREPAY, IN FULL OR IN PART, OF CERTAIN BORROWINGS AVAILED BY OUR COMPANY.

Our Company has, in the regular course of business, entered into various financing arrangements, including, working capital loans. Further, depending on the business requirements of our Company and other considerations, certain of the working capital loans are rolled over based on commercially agreed upon terms between us and the lenders of these working capital loans. Such rollovers may result in changes to the certain commercial terms and conditions of such loans, including the change in the lenders in some cases. Additionally, the aggregate outstanding amounts under these borrowings may vary from time to time, and our Company may, in accordance with the relevant repayment schedule, repay or refinance, or prepay, some of its existing borrowings.

As at October 20, 2023, the amount outstanding under various borrowing arrangements of our Company to be Fully or partially repaid or prepaid from the Net Proceeds was Rs. 588.00 Lakhs. Our Company proposes to utilise an estimated amount of Rs. 588.00 Lakhs from the Net Proceeds towards full or partial repayment or pre-payment of borrowings availed by our Company. Further, our Company has obtained consents from the lenders of these borrowings and made intimations to lenders, as applicable, as on the date of this Draft Letter of Offer. The amounts outstanding under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits.

The following table provides details of certain borrowings availed by our Company which are outstanding as on October 20, 2023, out of which certain borrowings are currently proposed to be repaid or prepaid, in full or in part, to the extent of Rs. 588.00 Lakhs from the Net Proceeds:

Sr. No.	Name of the Lender	Principal loan amount sanctioned (Amount	Outstanding loan as on 20 th October, 2023 (Amount	Interest (%)	Nature of Borrowing	Date of repayment	Proposed repayment from Net Proceeds (Amount
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		in lakhs)	in Rs. lakhs)				in Rs. lakhs)
1.	Mr. Rajesh Sadhwani	308.00	308.00	10.00%	Working capital Term loan	October, 2024	308.00
2.	Pillar Investment Company Limited	280.00	280.00	12.00%	Working capital Term loan	October, 2024	280.00
	Total Amount	588.00	588.00				588.00

We believe that such repayment or prepayment will help reduce our outstanding indebtedness and our debt -equity ratio and enable utilization of our internal accruals for further investment in business growth. In addition, we believe that the strength of our balance sheet and our leverage capacity will further improve, which shall enable us to raise further capital in the future at competitive rates to fund potential business development opportunities and plans to grow and expand our business in the coming years.

Accordingly, we may utilise the Net Proceeds for full or partial prepayment or repayment of any such refinanced facilities, or full or partial prepayment, or repayment of any additional facilities obtained by our Company. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, would not exceed Rs. 588.00 Lakhs. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular Financial Year may be repaid/ pre-paid in part or full by our Company in the subsequent Financial Year. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits.

3. TO PART FINANCE WORKING CAPITAL REQUIREMENTS OF THE COMPANY.

Our Business is a working capital intensive industry. The increasing operations of our company will in turn lead to the increase in the requirement of working capital. The lead time for procuring the products is high and also in order to ensure readily available customized product along with a low lead time for our clients, we enjoy a lower credit period. Further, we are required to provide sufficient credit period to our clients resulting in high receivables and we enjoy minimum credit from our suppliers through against the same. We intend to increase our turnover over the years for which we would be required to provide extended credit period to our customers, but the credit period that we avail from our suppliers shall not increase substantially. This would require us to have adequate working capital to ensure a smooth and uninterrupted flow of our business operations. Accordingly, we expect a further increase in the working capital requirements in view of current and potential business operations that we may undertake.



GENPHARMASEC LIMITED
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Accordingly, we expect a further increase in the working capital requirements in view of current and potential business operations that we may undertake. Accordingly, we have proposed to use upto Rs. 1,650.00 Lakhs out of the issue proceeds to meet the working capital requirements.

(Rs. In Lakhs)

Sr. No.	Particulars	31.03.2021	31.03.2022	31.03.2023	31.03.2024
		Audited	Audited	Audited	Projected
A.	Current Assets				
	Inventories	768.08	988.89	967.55	1,615.56
	Trade receivables	752.49	644.81	570.92	1,775.34
	Short Term Loans & Advances	-	67.99	48.13	50.54
	Other Current Assets	37.29	46.92	11.66	14.38
	Cash and Bank Balance	353.35	160.76	199.31	219.24
	Current Investment	766.86	245.00	95.35	104.89
	Total Current Assets	2,678.07	2,154.37	1,892.92	3,779.94
B.	Current Liabilities				
	Trade payable	711.55	622.06	137.00	269.26
	Other current liabilities	3.95	6.01	9.29	10.68
	Borrowings	-	-	308.20	300.00
	Total Current Liabilities	715.50	628.07	454.49	579.94
C.	Working Capital Gap (A-B)	1,962.57	1,526.30	1,438.43	3,200.00
D	Working Capital financed from Internal Accruals (including reserves and surplus)	1,962.57	1,526.30	1,438.43	1,550.00
E	Working Capital funding through Issue Proceeds	-	-	-	Upto 1,650.00

As per our estimates we would require upto Rs. 1,650.00 Lakhs out of the issue proceeds to meet the working capital requirements.

Assumptions for holding level (Days)

Particulars	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24
	Restated	Restated	Restated	Projected
Inventory	120	125	152	90
Trade Receivable	129	86	82	90
Trade Payable	111	79	22	15



Justification of Holding Level

Inventories	We have Inventories holding period of around 90 days in financial year 2023-24 against which is lower than previous year's holding period and as we are expecting increase in our revenues from the sale of goods with less holding period and therefore, expect to hold more inventories with less holding period in line with increase revenue. We are confident enough that inspite of increased capacity and sales, we will be able to maintain our inventory at the level of days consumption.
Trade Receivables	We have assumed Trade Receivable holding period level of 86 days in financial year 2021-22 and 82 days in FY 2022-23 and as we are expecting to allow more lenient credit period to our clients. Our Company has estimated the holding level for Trade Receivable as 90 days of revenue from operations for the Financial Year 2023-24, considering normal credit period.
Trade Payables	In financial year 2021-22, Our payable's credit period was around 79 days and in FY 2022-23, our trade payable credit period was 22 days as our company strive to adhere to stricter credit policy to achieve better and favourable pricing terms and to ensure continued relations with the existing suppliers. By making early payments to the suppliers (i.e. availing lower credit periods), the company shall be able to get competitive prices for its raw materials which would result in a reduction in the raw material cost as a percentage of sales thereby increasing the profitability of the Company. Thus, the Company has estimated lower credit period of 15 days in a FY 2023-24 which would in turn help in reducing the cost of sales and improve profitability margins.

4. TO FINANCE THE GENERAL CORPORATE PURPOSE.

The Net Proceeds will first be utilized towards the Objects set out above, as well as meeting the Issue-related expenses. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds of Rs. 1,193.42 Lakhs towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time. We confirm that utilization for general corporate purposes will not exceed 25% of the Gross Proceeds of the Issue.

Such general corporate purposes may include, but are not restricted to, the following:

- Strategic initiatives, including investments or acquisitions, from time to time;
- Brand building, promotional and outreach activities;
- Strengthening our infrastructure and systems and processes, in-house training initiatives, etc.;
- Repayment of present or future loans;
- Research and Development;
- Ongoing general corporate purposes or exigencies, as approved by the Board, subject to compliance with applicable law.

Our management will have flexibility in utilizing any amounts for general corporate purposes in accordance with policies of our Board. The quantum of utilization of funds towards any of the purposes mentioned above will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

** To be finalized on determination of Issue Price.*



ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 25.00 Lakhs.

Particulars	Amount (Rs. in Lakhs)	% of Total Issue Expenses	% of Total Issue Size
Issue management fees, brokerages, Payment to other intermediaries such as Registrars etc.	10.00	40.0%	0.20%
Printing & Stationery, Distribution, Postage, etc.	2.50	10.0%	0.05%
Advertisement & Marketing Expenses	2.50	10.0%	0.05%
Regulatory & other expenses	8.50	34.0%	0.17%
Miscellaneous Expenses	1.50	6.0%	0.03%
Total	25.00	100.00%	0.51%

* To be finalized on determination of Issue Price.

Details of funds already deployed till date and sources of funds deployed

The funds deployed up to 30th September, 2023 pursuant to the object of this Issue as certified by the Auditors of our Company, viz. M/s. Abhishek S Tiwari & Associates, Chartered Accountants pursuant to their certificate dated 16th October, 2023 is given below:

Deployment of funds	Amount (Rs. In Lakhs)
Issue Related Expenses	3.92
Objects Related Expenses	25.74
Total	29.66

Sources of funds	Amount (Rs. In Lakhs)
Internal Accruals	29.66
Bank Finance	-
Total	29.66

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds.

APPRAISAL BY APPRAISING AGENCY

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization.

INTERIM USE OF FUNDS

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Issue Proceeds for the Objects of the



Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

MONITORING UTILIZATION OF FUNDS

As the size of the Issue does not exceed Rs. 10,000 lakhs, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a Quarterly yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year.

Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchange on a Quarterly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Draft Letter of offer.

CONFIRMATION REGARDING PURCHASE OF SECOND-HAND EQUIPMENT AND MACHINERY

No second-hand equipment and machinery are proposed to be purchased by our Company from the Net Proceeds.

OTHER CONFIRMATIONS

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



STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS AS PER THE CERTIFICATE ISSUED BY STATUTORY AUDITORS OF THE COMPANY

To,

**The Board of Directors,
Genpharmasec Limited**

Office No. 104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd.
Akurli Road Kandivali East Mumbai City MH 400101

Dear Sirs,

Re: Proposed rights issue of equity shares of face value Rs. 1/- each (the "Equity Shares" and such offering, the "issue") of Genpharmasec Limited (the "company") pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI Regulations") and the Companies Act, 2013, as amended (the "Act")

Subject: Statement of Special Possible Tax Benefits available to Genpharmasec Limited and its shareholders

We report that the enclosed statement in the Annexures, states the possible special tax benefits under direct and indirect tax laws and Income tax rules, 1962 including amendments made by the Finance Act, 2022 and Taxation Laws (Amendment) Act, 2019 (hereinafter referred to as 'Income Tax Laws'), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975, as amended, the rules and regulations circulars and notification issued there under, foreign Trade Policy presently in force in India, available to the Company and its Shareholders. Several of these benefits are dependent on the company and its Shareholders as the case may be fulfilling the conditions prescribed under the Act. Hence, the ability of the company and its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions which based on business imperatives the company and its shareholders faces in the future the company and its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the company and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement

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

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

- (i) The Company or its shareholders will continue to obtain these benefits in future: or



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- (ii) The conditions prescribed for availing the benefits have been / would be met with.
- (iii) The revenue authorities courts will concur with the views expressed herein.

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

This statement is intended solely for information and for inclusion in the Letter of Offer in connection with the right Issue of equity shares of the Company and is not to be used, referred to or distributed for any other purpose, without our prior consent, provided the below statement of limitation is included in the offer letter

For M/s. Abhishek S Tiwari & Associates
Chartered Accountants

Sd/-

CA Abhishek Tiwari

Partner

M. No. 155947

Date: 16th October, 2023

Place: Mumbai

UDIN: 23155947BGSTUP4850



Annexure

**STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO GENPHARMASEC LIMITED
(THE "COMPANY") AND ITS SHAREHOLDERS**

I. UNDER THE INCOME-TAX ACT, 1961 (hereinafter referred to as "the Act")

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

There are no special tax benefits available to the Company.

II. Special Tax Benefits available to the Shareholders under the Act:

There are no special tax benefits available for the shareholders of the Company.

Notes:

a. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

b. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

c. The above statement of possible tax benefits is as per the current direct laws relevant for the assessment year 2023-24.

d. This statement is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the company.

e. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.

f. 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 views consequent to such changes.

For M/s. Abhishek S Tiwari & Associates
Chartered Accountants

Sd/-

CA Abhishek Tiwari

Partner

M. No. 155947

Date: 16th October, 2023

Place: Mumbai

UDIN: 23155947BGSTUP4850



SECTION V: ABOUT OUR COMPANY

OUR INDUSTRY

The information contained in 'Industry Overview' in this section is derived from publicly available sources. Neither we, nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

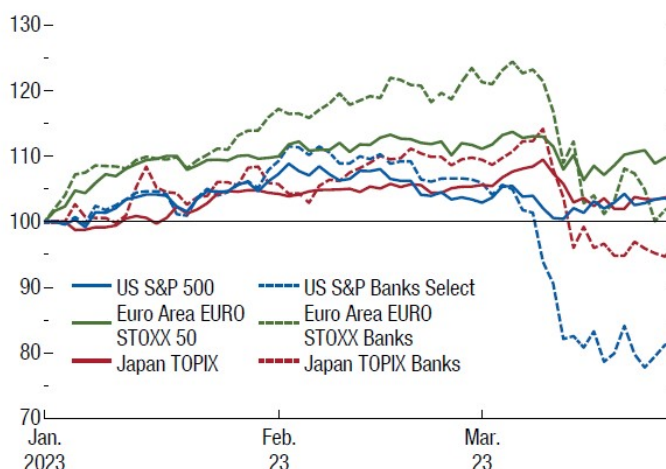
Shareholders should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, shareholders should read this entire Draft Letter of Offer, including the information in the sections "Risk Factors" and "Financial Information" on pages 31 and 102, respectively of this Draft Letter of Offer. 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, please see the section 'Risk Factors' on page 31 of this Draft Letter of Offer.

GLOBAL PROSPECTS AND POLICIES

The global economy is yet again at a highly uncertain moment, with the cumulative effects of the past three years of adverse shocks—most notably, the COVID-19 pandemic and Russia's invasion of Ukraine—manifesting in unforeseen ways. Spurred by pent-up demand, lingering supply disruptions, and commodity price spikes, inflation reached multidecade highs last year in many economies, leading central banks to tighten aggressively to bring it back toward their targets and keep inflation expectations anchored.

Although telegraphed by central banks, the rapid rise in interest rates and anticipated slowing of economic activity to put inflation on a downward path have, together with supervisory and regulatory gaps and the materialization of bank-specific risks, contributed to stresses in parts of the financial system, raising financial stability concerns. Banks' generally strong liquidity and capital positions suggested that they would be able to absorb the effects of monetary policy tightening and adapt smoothly. However, some financial institutions with business models that relied heavily on a continuation of the extremely low nominal interest rates of the past years have come under acute stress, as they have proved either unprepared or unable to adjust to the fast pace of rate rises.

Figure 1.1. Broad Equity and Bank Equity Indices for Selected Major Economies
(Index; January 1, 2023 = 100)



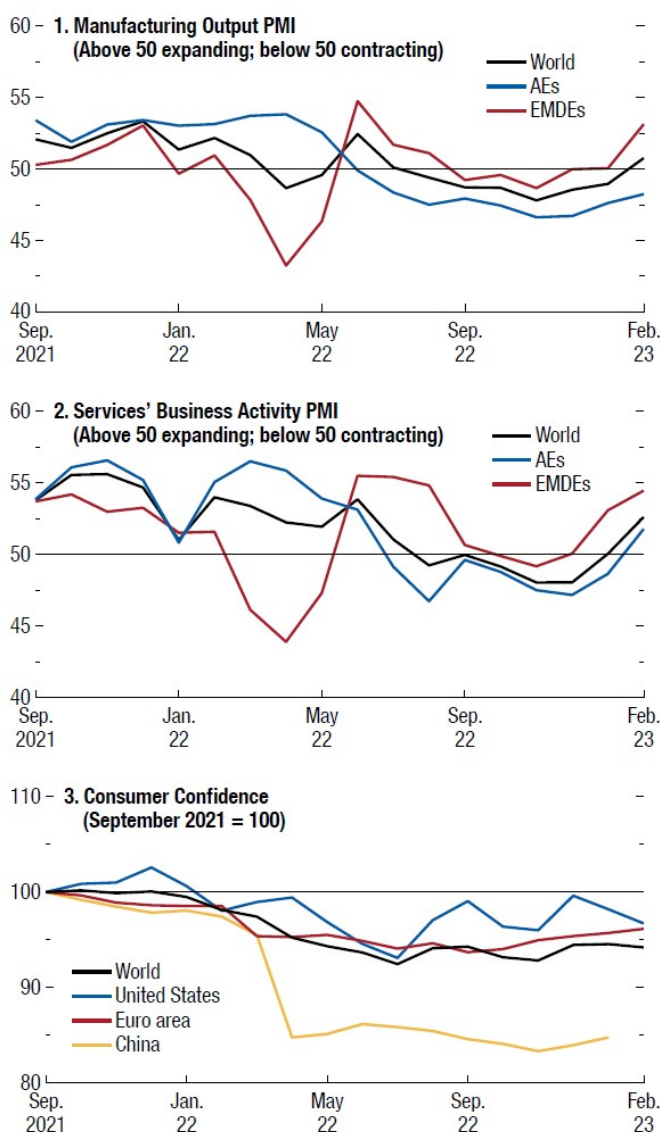
Sources: Bloomberg Finance L.P.; and IMF staff calculations.
Note: Latest data available are for March 28, 2023.



The unexpected failures of two specialized regional banks in the United States in mid-March 2023 and the collapse of confidence in Credit Suisse—a globally significant bank—have roiled financial markets, with bank depositors and investors reevaluating the safety of their holdings and shifting away from institutions and investments perceived as vulnerable. The loss of confidence in Credit Suisse resulted in a brokered takeover. Broad equity indices across major markets have fallen below their levels prior to the turmoil, but bank equities have come under extreme pressure (Figure 1.1). Despite strong policy actions to support the banking sector and reassure markets, some depositors and investors have become highly sensitive to any news, as they struggle to discern the breadth of vulnerabilities across banks and nonbank financial institutions and their implications for the likely near-term path of the economy. Financial conditions have tightened, which is likely to entail lower lending and activity if they persist (see also Chapter 1 of the April 2023 Global Financial Stability Report).

Prior to recent financial sector ructions, activity in the world economy had shown nascent signs of stabilizing in early 2023 after the adverse shocks of last year (Figure 1.2, panels 1 and 2). Russia's invasion of Ukraine and the ongoing war caused severe commodity and energy price shocks and trade disruptions, provoking the beginning of a significant reorientation and adjustment across many economies. More contagious COVID-19 strains emerged and spread widely. Outbreaks particularly affected activity in economies in which populations had lower levels of immunity and in which strict lockdowns were implemented, such as in China. Although these developments imperiled the recovery, activity in many economies turned out better than expected in the second half of 2022, typically reflecting stronger-than-anticipated domestic conditions. Labor markets in

Figure 1.2. Early 2023 Activity Indicators Strengthened but Confidence Remained Depressed (Indices)



Sources: Haver Analytics; IHS Markit; and IMF staff calculations.
Note: For AEs in panel 1, sample comprises AUS, AUT, CAN, CHE, DEU, DNK, ESP, FRA, GBR, GRC, ITA, IRL, JPN, NLD, NZL, and USA. Contribution to AE manufacturing GVA is used as weights. For EMDEs in panel 1, sample comprises ARE, BRA, CHN, CZE, COL, EGY, GHA, IND, IDN, KEN, LBN, MYS, MEX, NGA, PHL, POL, RUS, SAU, THA, TUR, VNM, and ZAF. For AEs in panel 2, sample comprises AUS, DEU, ESP, FRA, GBR, ITA, IRL, JPN, NZL, and USA. Contribution to AE services GVA is used as weights. For EMDEs in panel 2, sample comprises BRA, CHN, CZE, COL, EGY, GHA, IND, IDN, KEN, LBN, MYS, MEX, NGA, PHL, POL, RUS, SAU, THA, TUR, VNM, and ZAF. Economy list uses International Organization for Standardization (ISO) country codes. AEs = advanced economies; EMDEs = emerging market and developing economies; GVA = gross value added. PMI = purchasing managers' index.



advanced economies—most notably, the United States—have stayed very strong, with unemployment rates historically low. Even so, confidence remains depressed across all regions compared with where it was at the beginning of 2022, before Russia invaded Ukraine and the resurgence of COVID-19 in the second quarter (Figure 1.2, panel 3).

With the recent increase in financial market volatility and multiple indicators pointing in different directions, the fog around the world economic outlook has thickened. Uncertainty is high, and the balance of risks has shifted firmly to the downside so long as the financial sector remains unsettled. The major forces that affected the world in 2022—central banks’ tight monetary stances to allay inflation, limited fiscal buffers to absorb shocks amid historically high debt levels, commodity price spikes and geoeconomic fragmentation with Russia’s war in Ukraine, and China’s economic reopening—seem likely to continue into 2023. But these forces are now overlaid by and interacting with new financial stability concerns. A hard landing—particularly for advanced economies—has become a much larger risk. Policymakers may face difficult trade-offs to bring sticky inflation down and maintain growth while also preserving financial stability.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>)

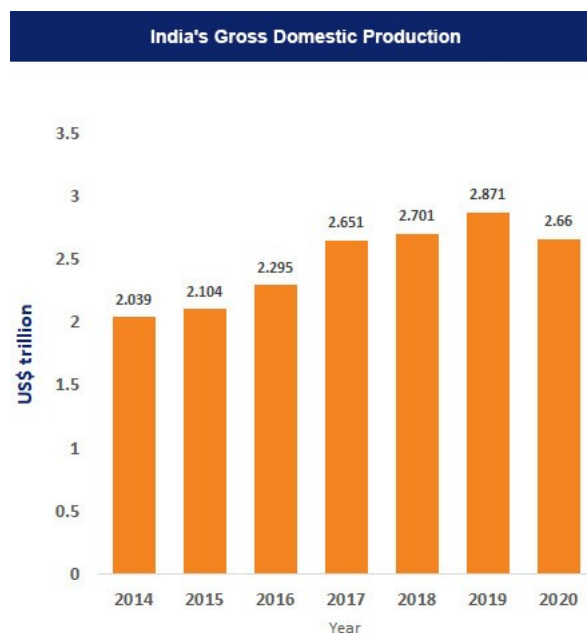
Indian Economy Overview

Introduction

The Indian economy has fully recovered to the pre-pandemic real GDP level of 2019-20, according to the provisional estimates of GDP released on May 31, 2022. Real GDP growth in FY 2021-22 stands at 8.7%, which is 1.5% higher than the real GDP in FY 2019-20. These figures are associated with stronger growth momentum, indicating increased economic demand. The investment rate in the fourth quarter increased to its highest level in the previous nine quarters. Moreover, capacity utilisation in the manufacturing sector rose in the fourth quarter, as against the third quarter, implying a build-up in demand, which is consistent with the growth objectives of the Indian economy.

Future capital spending of the government in the Indian economy is expected to be supported by factors such as tax buoyancy, streamlined tax system, thorough assessment and rationalisation of the tariff structure and digitisation of tax filing. In the medium term, an increase in capital spending on infrastructure and asset-building projects is set to increase growth multipliers. Furthermore, revival in monsoon and Kharif sowing helped the agriculture sector gain momentum. As of July 11, 2022, the South-West monsoon has covered the entire country, resulting in 7% higher rainfall than the normal level.

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





and strong partnerships.

Market size

- India's nominal GDP at current prices was estimated at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US\$ 332.7 billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy, and is planning to achieve 40% of its energy from non-fossil sources by 2030.
- According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between this period. India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at 1.2% of GDP in 2021-22.
- Exports fared remarkably well during the pandemic and aided recovery when all other growth engines lost steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

Recent Developments

India is primarily a domestic demand-driven economy, with consumption and investments contributing 70% to the country's economic activity. With the economic scenario improving on recovering from the COVID-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also launching growth-oriented policies to boost the economy. In view of this, the country witnessed many developments in the recent past, some of which are mentioned below.

Recent economic developments in India are as follows:

- As of July 15, 2022, India's foreign exchange reserves reached US\$ 572.71 billion.
- Private equity-venture capital (PE-VC) sector investments stood at US\$ 34.1 billion, up 28% YoY, across 711 deals through January-June 2022.
- India's merchandise exports stood at US\$ 676.2 billion in FY22. In June 2022, India's merchandise exports stood at US\$ 37.9 billion, recording the highest ever exports in June 2022.
- PMI Services was at 58.9 in May 2022 compared to 57.9 in April 2022.
- In June 2022, the gross Goods and Services Tax (GST) revenue collection stood at Rs. 1.44 trillion (US\$ 18.1 billion).
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 588.53 billion between April 2000-March 2022.



- In May 2022, the Index of Industrial Production (IIP) stood at 137.7 driven by mining, manufacturing and electricity sectors.
- Consumer Price Index (CPI) inflation stood at 7.01% in June 2022 compared to 7.04% in May 2022.
- In July 2022 (until 21 July 2022), Foreign Portfolio Investment (FPI) outflows stood at Rs. 228,862 crore (US\$ 28.65 billion)
- Wheat procurement in Rabi 2021-22 and anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of Rs. 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

Government Initiatives

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over the recent decade, India's rapid economic growth has led to a substantial increase in demand for exports. Moreover, many of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission and the Atal Mission for Rejuvenation and Urban Transformation, are aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- In July 2022, the Union Cabinet chaired by the Prime Minister, Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India and Maldives. This MoU will provide a platform to tap the benefits of IT for court digitisation, and can be a potential growth area for IT companies and start-ups in both the countries.
- India and Namibia entered into an MoU on wildlife conservation and sustainable biodiversity utilisation on July 20, 2022, for establishing the cheetah's habitat in the historical forest range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (INR) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly-developed artificial intelligence (AI) products and technologies during the first-ever "AI in Defence" (AIDef) symposium and exhibition, organised by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022:
 - Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow.



- The projects encompass diverse sectors such as Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked an MoU with Lysterra, LLC, a Russia-based company, for the commercialisation of biocapsule, an encapsulation technology for bio-fertilisation on June 30, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners, including major trade agreements such as the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 lakh crore (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 lakh crore (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.



- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 lakh crore (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first



quarter of FY2022-23; it is expected to raise Rs. 4 lakh crore (US\$ 53.58 billion) in the next three years.

- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

(Source: www.ibef.org)

Global Diagnostic Market

The global medical devices market size was valued at USD 512.29 billion in 2022. The market is projected to grow from USD 536.12 billion in 2023 to USD 799.67 billion by 2030, exhibiting a CAGR of 5.9% during the forecast period. The growing prevalence of chronic diseases and the increasing emphasis of healthcare agencies toward early diagnosis and treatment, is leading to an increasing number of patients undergoing diagnostic and surgical procedures.

For instance, according to the American Hospital Association (AHA), there were an estimated 33.4 million inpatient admissions in the U.S. in 2021. The rise in the number of inpatient admissions and the increasing number of surgical and diagnostic procedures is fueling the demand for medical devices, including capital equipment and consumables in developed and emerging countries. The market share is further augmented by the increasing R&D investments by leading market players to develop technologically advanced equipment, with an aim to cater to the growing demand for innovative devices.

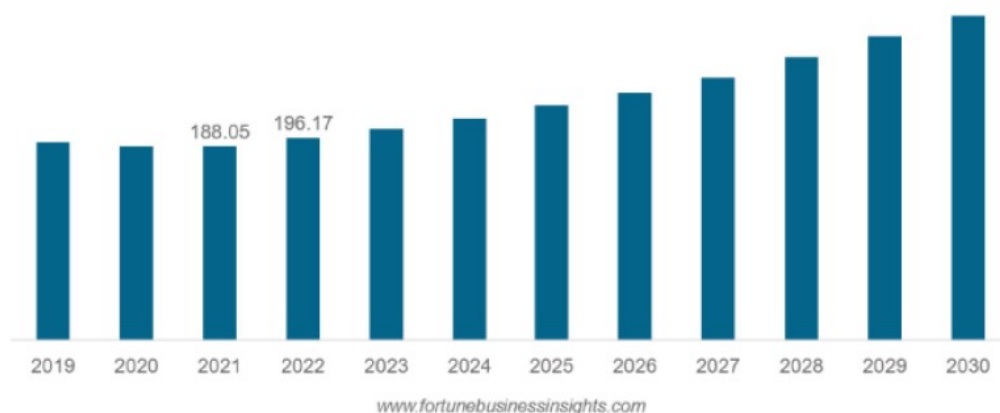
For instance, Koninklijke Philips N.V. invested an estimated USD 2.49 billion in R&D in 2022 as compared to USD 2.13 billion in 2021. Another leading medical device manufacturer, Medtronic, reported an investment of USD 2.49 billion in R&D in 2021 as compared to USD 2.33 in 2020. Increasing investment of medical technology companies in research & development and favorable scenarios provided by regulatory authorities for their approval is expected to boost the medical devices industry in the forecast period.

For instance, according to the 2022 report of the U.S. FDA's Center for Devices and Radiological Health (CDRH) granted breakthrough designations to 164 devices in 2022, which was around 151 in 2020.



The outbreak of COVID-19 resulted in decline of elective surgeries and emergency room visits in the hospitals. Procedures that were considered to be less serious or which were not life-threatening,

North America Medical Devices Market Size, 2019-2030 (USD Billion)



such as dental procedures and orthopedic surgeries, witnessed a noteworthy decline in terms of number of surgeries during the pandemic.

The market players offering devices that were prominently used for procedures that were considered elective, such as dental and orthopedic procedures and other surgeries, coupled with diagnostic imaging equipment, witnessed a decline in revenues in 2020 as compared to 2019.

The growing emphasis on fitness among adults globally and the increasing focus of regional and national healthcare agencies toward monitoring and diagnosis have been pivotal in creating a higher demand for fitness trackers. Despite these limitations of wearable devices such as security concerns and concerns related to data privacy, there is still a significantly high preference for fitness trackers and activity monitors owing to its easy usability and advantages.

Due to the outbreak of COVID-19 pandemic and rising concerns of the health in the population, the demand for these devices fueled up in the market. For instance, according to a survey conducted by ValuePenguin in March 2022, 45% of the U.S. population wears fitness tracker. Also, approximately 69% of Americans are comfortable wearing these devices if they get discount on their health insurance.

Also, the introduction of advanced models with new features and reduced prices by market players has increased the customer pool for the devices.

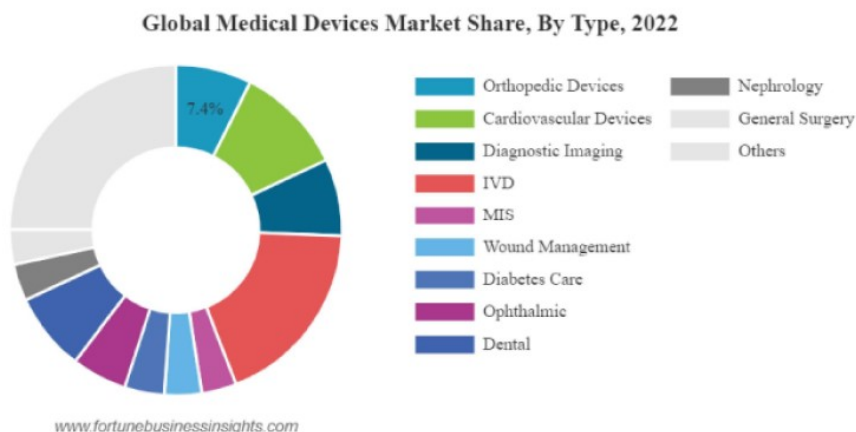
This presents a huge growth opportunity for new entrants and established players to focus on this segment and launch new wearable devices to cater to these devices' growing demand.

There is a growing prevalence of chronic disorders, including cancer, diabetes, and other infectious diseases, owing to the adoption of sedentary lifestyles. Healthcare agencies of various countries are focusing on growing the diagnosis and treatment rates through awareness programs. With the rising prevalence and awareness of such conditions among the population, the patient population requiring diagnostic procedures and tests is also increasing.



Also, a rapid rise in the ageing population is increasing the demand for ophthalmic and orthopedic procedures due to the increasing incidence of impaired vision and joint fractures in the elderly population.

The above mentioned factors when coupled with growing per capita healthcare expenditure in developed and emerging countries and improving reimbursement policies is leading to the rising number of patients undergoing diagnosis and treatment. This is fueling the growing demand for medical devices in these countries.



The rising prevalence of chronic medical conditions and treatment of patients suffering from these diseases is exerting huge pressure on the healthcare systems of various countries. This led to a significant rise in the economic burden of treating these diseases globally. The overall costs of treating a patient in a hospital inpatient setting are significantly higher and longer hospital stays are associated with a higher economic burden.

Due to the increasing economic burden and rising population aged above 60, there is a paradigm shift of preference toward home healthcare services among the population. Additionally, with increasing efforts of key players and healthcare agencies to develop and launch new and easy-to-use medical equipment such as portable and wearable devices for the treatment of chronic diseases, the adoption of home healthcare services is rapidly rising in developed countries.

The medical device industry has witnessed developments in the past decade in terms of new technologies being implemented and new design modifications prepared. However, these devices' high cost, which includes a comparatively higher acquisition cost and subsequent maintenance costs, leads to an overall increased device cost and ownership. Some of the advanced devices are associated with various other components such as chips, batteries, sensors, and some other accessories, which require periodic replacement.

This leads to a comparatively higher cost of ownership to hospital and surgical centers. Additionally, reimbursement for medical devices has also been a restricting factor in the adoption of these devices in emerging countries. Thus, the above factors, along with inadequate reimbursement policies, have been responsible for the comparatively limited adoption of medical devices in emerging countries.

Among type, the In-Vitro Diagnostics (IVD) segment is expected to register a higher CAGR owing to the increasing uptake of real-time diagnostic tests for precise diagnosis of chronic and infectious diseases such as diabetes, cancer, HIV/AIDS, and others. The other segment held a dominating share in 2022 owing to the higher demand and adoption of medical clothing, masks, gloves, surgical lights, fetal monitors, and other hospital supplies. The wound management segment is also expected to grow at a significant CAGR due to increasing investment in medical devices companies for introducing novel wound devices and bioactive therapies in the market.



Additionally, technological advancements in surgical robots and their increasing usage by healthcare providers are key factors expected to drive the minimally invasive surgery (MIS) segment growth during the forecast period. However, the segments of the orthopedic and cardiovascular devices are anticipated to grow at a significant pace owing to a globally increasing patient pool suffering from different cardiac-related and orthopedic disorders.

Also, the increasing incidence of diabetes and retinal disorders among the general population is anticipated to boost the adoption of diabetes care and ophthalmic devices and will subsequently drive market growth during the forecast period.

(Source: <https://www.fortunebusinessinsights.com/industry-reports/medical-devices-market-100085>)

Indian Diagnostic Industry

The Indian medical diagnostic industry is expected to grow at around 14 per cent touching \$20 billion by 2026 from \$10 billion in 2021, estimated a report released by Praxis Global Alliance, a global management consulting and advisory services firm, on Tuesday.

The report highlighted that non-traditional competitors are entering the market due to attractive margins. “Players from adjacent service areas of the healthcare ecosystem have entered the diagnostics market and become more competitive. Examples include pharmaceutical companies (e.g., Lupin), Hospitals (e.g., Max, Aster DM, Sterling), Diagnostic service aggregators, and telehealth providers,” said the report.

The report said that the Indian medical diagnostic industry has emerged as a preferred play in India’s growing healthcare sector, driven by attractive margins and good headroom for growth. The report also caught some trends such as newer tests addressing critical and precise clinical needs. The industry is seeing growth in specialised tests which comprises 15-22 per cent by volumes and 40-45 per cent by value, the report said, adding that molecular pathology is poised to grow at 35-40 per cent year-on-year.

The diagnostic industry is characterised by a high degree of fragmentation with over 100,000 labs. This fragmentation challenges the capability, scalability, and quality of labs. On the other hand, it also provides an opportunity to consolidate newer business models to evolve.

“With attractive economics in the industry, the diagnostics market, which is still largely under-penetrated, is expected to consolidate further. Growth in Tier 2+ cities is likely to be driven by asset-light expansion, the use of remote diagnostics tools, and AI for image processing,” explained Nirnay Kumar, Manager, Healthcare, Praxis Global Alliance.

India exports plastic to more than 200 countries in the world. The top 5 consumer and houseware product importing countries are the USA, Germany Japan, the UK and France. India largely exports plastic and related products to the USA, China, UAE, Germany, Italy, the UK, Bangladesh, Nepal, Turkey, France, Viet Nam, Indonesia, etc. The total value of exports to the US, the largest consumer of the Indian plastic industry, stood at US\$ 2,430.8 million in 2021-22, an increase of 63.6% YoY. China is the second largest consumer of plastic export products from India and the total value of exports stood at US\$ 883.5 million. US and China constituted 18.21%, and 6.62%, of the total plastic exports in 2021-22.

The total plastic exports from India to France during 2021-22 was around US\$ 224.9 million. In order to boost exports to France and Europe, the PLEXCONCIL collaborated with Indo-French Chamber in the first quarter of 2021-22. The Minister for Commerce and Industry, Mr. Piyush Goyal, recently urged the



industry to adopt international standards to help it expand its global footprint. India has recently signed a free-trade agreement with UAE and Australia, which will give the plastics industry new opportunities.

(Source: <https://www.businesstoday.in/industry/story/indias-diagnostic-industry-expected-to-grow-at-14-to-touch-20-bn-by-fy26-report-341256-2022-07-12>)

HEALTHCARE INDUSTRY

India's healthcare industry has grown significantly in both employment and income. The expansion of coverage, services, and rising spending by both public and private entities are all contributing to the rapid growth of the Indian healthcare industry. The abundance of highly qualified medical personnel in India is a competitive advantage. Comparing India to its counterparts in Asia and Western nations, it is also cost-competitive. Surgery in India costs roughly a tenth of what it does in the US or Western Europe.

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. 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.

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 Indian medical tourism market was valued at US\$ 2.89 billion in 2020 and is expected to reach US\$ 13.42 billion by 2026. According to India Tourism Statistics at a Glance 2020 report, close to 697,300 foreign tourists came for medical treatment in India in FY19. India has been ranked 10th in the Medical Tourism Index (MTI) for 2020-21 out of 46 destinations by the Medical Tourism Association.

The number of allopathic doctors with recognised medical qualifications (under the I.M.C Act) registered with state medical councils/national medical council increased to 1.3 million in November 2021, from 0.83 million in 2010.

Between April 2000-June 2022, FDI inflow for the drugs and pharmaceuticals sector stood at US\$ 19.90 billion, according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT). Inflows in sectors such as hospitals and diagnostic centres and medical and surgical appliances stood at US\$ 8.09 billion and US\$ 2.71 billion, respectively.

India currently holds the fourth position in attracting VC funding to the health-tech sector, with investments of US\$ 4.4 billion between 2016 and 2021, with US\$ 1.9 invested in 2021 alone.

Flipkart Group has announced its foray into the healthcare sector through the launch of Flipkart Health+. As part of this development, Flipkart has signed definitive agreements to acquire a majority share in Sastasundar Marketplace Limited, which owns and operates SastaSundar.com, an online pharmacy and digital healthcare platform.

Aster DM Healthcare has 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.



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AstraZeneca India has signed a memorandum of understanding (MoU) with Docon Technologies, a Bengaluru-based health start-up, to digitise 1,000 clinics across India by implementing customised electronic medical record (EMR) systems in clinics to offer doctors access to a patient's complete medical history.

India has made its Covid-19 vaccination platform, CoWIN, open source for all countries. Almost 76 countries have displayed interest in leveraging the CoWIN platform to manage their national COVID-19 vaccination drives.

In November 2022, six pharmaceutical companies were chosen by the Indian Council of Medical Research to produce monkeypox vaccines - Serum Institute of India, Biological E, Dr. Reddy's Laboratories, Hester Bioscience Ltd., Indian Immunologicals Ltd., and Reliance Life Sciences.

As of November 18, 2021, 80,136 Ayushman Bharat-Health and Wellness Centres (AB-HWCs) are operational in India, and 638 e-Hospitals are established across India as part of the central government's 'Digital India' initiative. Edelweiss General Insurance has also partnered with the Ministry of Health, Government of India, to help Indians generate their Ayushman Bharat Health Account (ABHA) number.

By March 2022, the Health Ministry's eSanjeevani telemedicine service had already crossed 3 crore teleconsultations. Moreover, eSanjeevani telemedicine set a new record by completing over 1.7 lakhs consultations in a single day.

Prime Minister Mr. Narendra Modi, while speaking at the global COVID-19 summit, said that India had shared its vaccine production with 95 countries and the UN peacekeepers. He also stated that India will supply COVID-19 vaccines to other countries after increased production. He also launched the Ayushman Bharat Digital Mission, which 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.

As of May 2021, 11.9 lakh Health IDs have been generated and 3,106 doctors and 1,490 facilities have registered on the National Digital Health Mission (NDHM) platform.

The Uttar Pradesh government has announced the introduction of automatic medicine dispensing machines to expand the primary healthcare industry and clinical centres in the country.

Minister of Defence, Mr. Rajnath Singh, has launched the 'Services e-Health Assistance & Teleconsultation (SeHAT)' OPD portal to provide telemedicine services to armed forces personnel and veterans.

The Parliament has passed the National Commission for Allied & Healthcare Professions Bill 2021, which aims to create a body that will regulate and maintain educational and service standards for healthcare professionals.

The Government of India is planning to increase public health spending to 2.5% of the country's GDP by 2025. India's competitive advantage also lies in the increased success rate of Indian companies in getting Abbreviated New Drug Application (ANDA) approvals. India also offers vast opportunities in R&D as well as medical tourism. To sum up, there are vast opportunities for investment in healthcare infrastructure in both urban and rural India.



MARKET SIZE

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. By FY22, Indian healthcare infrastructure is expected to reach US\$ 349.1 billion.

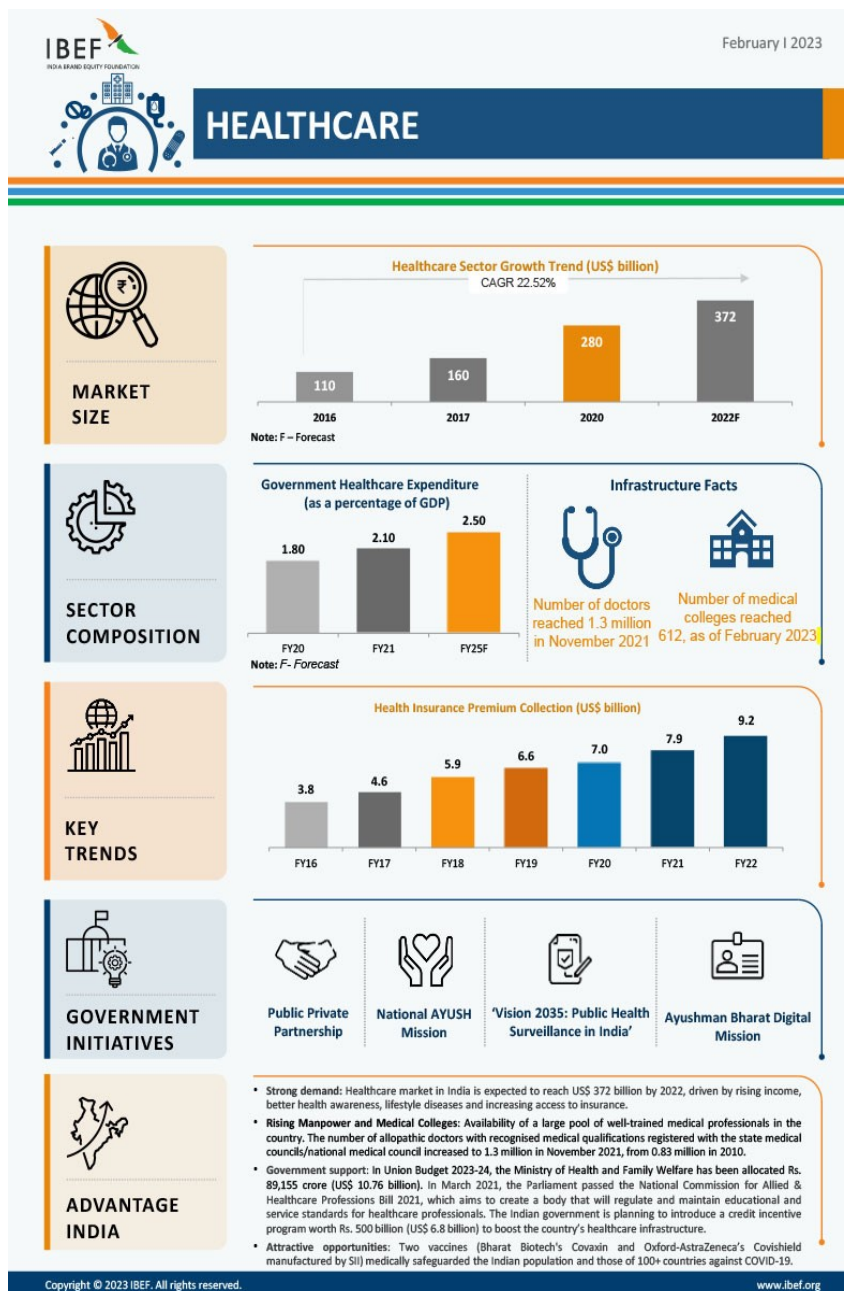
In the Economic Survey of 2022, India's public expenditure on healthcare stood at 2.1% of GDP in 2021-22 against 1.8% in 2020-21 and 1.3% in 2019-20.

In FY22, premiums underwritten by health insurance companies grew to Rs. 73,582.13 crore (US\$ 9.21 billion). The health segment has a 33.33% share in the total gross written premiums earned in the country.

The Indian medical tourism market was valued at US\$ 2.89 billion in 2020 and is expected to reach US\$ 13.42 billion by 2026. According to India Tourism Statistics at a Glance 2020 report, close to 697,300 foreign tourists came for medical treatment in India in FY19. India has been ranked 10th in the Medical Tourism Index (MTI) for 2020-21 out of 46 destinations by the Medical Tourism Association.

The e-health market size is estimated to reach US\$ 10.6 billion by 2025.

As per information provided to the Lok Sabha by the Minister of Health & Family Welfare, Dr. Bharati Pravin Pawar, the doctor population ratio in the country is 1:854, assuming 80% availability of 12.68 lakh registered allopathic doctors and 5.65 lakh AYUSH doctors.





INVESTMENTS/ DEVELOPMENTS

Between April 2000-June 2022, FDI inflow for the drugs and pharmaceuticals sector stood at US\$ 19.90 billion, according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT). Some of the recent developments in the Indian healthcare industry are as follows:

- As of February 20, 2023, more than 220.63 crore COVID-19 vaccine doses have been administered across the country.
- As of November 16, 2022, India has exported 28.13 crore vaccine doses.
- Multinational healthcare company Abbott has committed to converting 75 Primary Health Centers (PHCs) to Health and Wellness Centers (HWCs) in nine Indian States, in collaboration with Americares India Foundation, a nonprofit organisation dedicated to relief and development in the field of health. This will benefit over 2.5 million people from under-resourced communities every year.
- In November 2022, diabetes management app BeatO raised US\$ 33 million in its Series B funding round led by impact investor Lightrock 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.
- The healthcare and pharmaceutical sector in India had M&A activity worth US\$ 4.32 billion in the first half of 2022.
- As of February 2023, the number medical colleges in India stood at 612.
- In July 2022, the Indian Council of Medical Research (ICMR) released standard treatment guidelines for 51 common illnesses across 11 specialties to assist doctors, particularly in rural regions, in diagnosing, treating, or referring patients in time for improved treatment outcomes.
- In July 2022, the National Pharmaceutical Pricing Authority (NPPA) fixed the retail prices for 84 drug formulations, including those used for the treatment of diabetes, headache, and high blood pressure.
- In March 2022, Hyderabad-based pharmaceutical company Biological E applied for emergency use authorisation (EUA) for its Covid-19 vaccine Corbevax for the 5-12 year age group.
- In January 2022, Phase 3 trials commenced of India's first intranasal vaccine against COVID-19 that is being developed by Bharat Biotech, in conjunction with the Washington University School of Medicine in St Louis, the US.
- 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.
- The number of policies issued to women in FY21 stood at 93 lakh, with one out of every three life insurance policies in FY21 sold to a woman.



- In December 2021, Eka Care became the first CoWIN-approved organization in India, through which users could book their vaccination slot, download their certificate and even create their Health IDs.
- As of November 18, 2021, 80,136 Ayushman Bharat-Health and Wellness Centres (AB-HWCs) are operational in India.
- As of November 18, 2021, 638 e-Hospitals are established across India as part of the central government's 'Digital India' initiative.
- 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.
- In September 2021, Russian-made COVID-19 vaccine, Sputnik Light received permission for Phase 3 trials in India.
- In September 2021, Biocon Biologics Limited, a subsidiary of Biocon, announced a strategic alliance with Serum Institute Life Sciences, a subsidiary of Serum Institute of India (SII). The alliance is expected to strengthen India's position as a global vaccine and biologics manufacturing powerhouse.

GOVERNMENT INITIATIVES

Some of the major initiatives taken by the Government of India to promote the Indian healthcare industry are as follows:

- In the Union Budget 2023-24:
 - Under the Union Budget 2023-24, the Ministry of Health and Family Welfare has been allocated Rs. 89,155 crore (US\$ 10.76 billion), an increase of 3.43% compared to Rs. 86,200.65 crore (US\$ 10.4 billion) in 2021-22.
 - Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) was allocated Rs. 3,365 crore (US\$ 0.41 billion)
 - Human Resources for Health and Medical Education was allotted Rs. 6,500 crore (US\$ 780 million).
 - National Health Mission was allotted Rs. 29,085 crore (US\$ 3.51 billion).
 - Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) was allotted Rs. 7,200 crore (US\$ 870 million).
 - 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.
- In July 2022, the World Bank approved a US\$ 1 billion loan towards India's Pradhan Mantri-Ayushman Bharat Health Infrastructure Mission.



- In order to promote medical tourism in the country, the government of India is extending the e-medical visa facility to the citizens of 156 countries.
- 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 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. Project will improve the quality of health services and strengthen the state's capacity to handle future health emergencies, including the COVID-19 pandemic.
- In 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 September 2021, the Telangana government, in a joint initiative with World Economic Forum, NITI Aayog and HealthNet Global (Apollo Hospitals), launched 'Medicine from the Sky' project. The project will pave the way for drone delivery of life saving medicines and jabs in far-flung regions of the country.
- According to a spokesperson, 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.
- In July 2021, the Ministry of Tourism established the 'National Medical & Wellness Tourism Board' to promote the medical and wellness tourism in India.
- In July 2021, the Union Cabinet approved continuation of the National Ayush Mission, responsible for the development of traditional medicines in India, as a centrally sponsored scheme until 2026.
- In July 2021, the Union Cabinet approved the MoU between India and Denmark on cooperation in health and medicine. The agreement will focus on joint initiatives and technology development in the health sector, with the aim of improving public health status of the population of both countries.
- In June 2021, the Ministry of Health and Family Welfare, in partnership with UNICEF, held a capacity building workshop for media professionals and health correspondents in Northeastern states on the current COVID-19 situation in India, to bust myths regarding COVID-19 vaccines & vaccination and reinforce the importance of COVID-19 Appropriate Behaviour (CAB).

(Source: www.ibef.org)



OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read section titled "Risk Factors" on page 31, for a discussion of the risks and uncertainties related to those statements, as well as "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 102 and 106, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Audited Standalone Financial Statements.

Overview

Our Company was originally incorporated as Adi Rasayan Limited" a private limited company vide a Certificate of Incorporation dated 16th November, 1992, issued by the Registrar of Companies, Gujrat, Dadra & Nagar Haveli under the provisions of the Companies Act, 1956. Subsequently, the name of our Company was changed to "Generic Pharmasec Limited" and a fresh certificate of incorporation dated 27th November, 2018 consequent upon change of name was issued by the Registrar of Companies, Ahmedabad. Thereafter, the name of our Company was further changed to "Genpharmasec Limited" and a fresh certificate of incorporation dated 25th October, 2021 consequent upon change of name was issued by the Registrar of Companies, Mumbai.

Equity Shares of our Company is listed at BSE Limited.

Our Current promoters namely, Mrs. Sneha Sadhwani and Mr. Rajesh Sadhwani acquired the company from existing promoters during the financial year 2018-19.

Our Company is engaged in the distribution of lucrative medical and diagnostics device segment. Our Company believes in providing best and new technology based medical and diagnostics device. Our Company is authorised to carry on the following business as main objects:

- To manufacture, sell, purchase, export, import deal in and act as agents, distributors suppliers of chemicals used to manufacture of pharmaceutical , drugs enzymes and sanitary napkins.
- To manufacture, develop, convert sell, purchase, deal in, import, export all kinds of chemicals and their by-products intermediates, derivatives, formulations and compounds.
- To carry on all or any of the business of manufacturers importers, exporters, buyers, sellers, retailers and distributing agents of and dealers in all kinds of pharmaceutical, medicinal and medicated preparations, patent medicines, drugs, herbs and in pharmaceutical, medicinal and proprietary and industrial preparations, patent medicines, drugs, herbs and in pharmaceutical, medicinal proprietary and industrial preparations, compounds and articles of kinds, chemists, druggists and chemical manufacturers, makeup, prepare ,buy, sell and deal I all articles , substances and things commonly or conveniently used in or for making up preparing, or packing any of the products in which the Company is authorised, to deal or which may be required by customers or persons having dealings with the Company.



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- To acquire, establish and maintain one or more hospital/hospitals for the reception and treatment of persons suffering from illness, or mental defect for the reception and treatment of persons during convalescence, or of persons requiring medical attention, or rehabilitation, solely for philanthropic purposes and not for purposes of profit and to provide medical relief to the public in all the branches of medical sciences by all available means.
- To setup hospitals, nursing homes and healthcare centers and provide, encourage, initiate or promote facilities for the discovery, improvement or development of new methods of diagnosis, understanding and prevention and treatment of diseases.
- To undertake the business of providing medical facilities including nursing homes, hospitals, consulting homes for medical men and conduct and to carry on experiments and to provide funds for research works and for scholarships, stipend, remuneration and/or other payments or aid to any person or persons engaged in research work, or work connected with or conducive to research and to encourage and to improve knowledge of the persons who are engaged or likely to be engaged in any medical or related profession so as to make available medical relief to the public at large.
- To invest in, acquire, hold, underwrite, sell or otherwise deal in shares, stocks, debentures, debenture stocks, bonds, negotiable instruments, securities of any company, Government, Public Body or Authority, Municipal and Local Bodies, whether I India or abroad.

Our Company has tied up with Abbott Point of Care Corporation INC, USA for distribution of their niche diagnostic equipment namely, i-STAT 1 Analyzer which is a hand-held blood analyzer exclusively used in ICUs and ICCUs of hospitals for immediate test results. i-STAT 1 Analyzer is lightweight, portable and easy to use. It operates with the advanced technology of i-STAT test cartridges. Together they create the i-STAT system – a point-of-care-testing platform that provides healthcare professionals with diagnostic information when and where it is needed. Our Company supplies i-STAT 1 blood Analyzers to various distributors spread all over the country. These distributors supply the same to various government as well as private hospitals in their territory.

Our Company operates the business operations from its registered office situated at Office No. 104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd. Akurli Road Kandivali East Mumbai City MH 400101 and Other branch office situated at Flat No. 11A/104, First Floor:1, Baronet,Block Sector Lokhandwala Township, Kandivali East, Akurli Road, Mumbai, Maharastra 400101.

Details of Total Revenue for the last three (3) years are as under:

Financial year	Revenue from operations (Amt in lakhs)	Other Income (Amt in lakhs)	Total Revenue (Amt in lakhs)	Profit after Tax (Amt in lakhs)
2020-2021	2130.75	32.78	2163.53	125.74
2021-2022	2732.05	9.26	2741.31	(20.93)
2022- 2023	2551.57	10.01	2561.58	112.48
Three months ended 30 th June, 2023	596.40	11.19	607.59	2.61



INFRASTRUCTURE FACILITIES FOR UTILITIES LIKE ELECTRICITY WATER & POWER

Infrastructure Facilities

Our registered office and branch office are well equipped with computer systems, internet connectivity, other communications equipment, security, drainage, lighting, sanitation, emergency services and other facilities, which are required for our business operations to function smoothly.

Materials

Our Company is engaged in trading of Diagnostic equipment.

Power

Our operations are not power intensive.

Water

Our operations are not water intensive.

Fuel

Our operations are not Fuel intensive.

Export And Export Obligations

As on date of this Draft Letter of Offer, our Company does not have any export and export obligation.

Collaborations

As on the date of this Draft Letter of Offer, we have not entered into any technical or other collaboration arrangements.

Human Resource

We believe our employees are one of our most important assets and critical to maintaining our competitive position in our industry. As on date of this Draft Letter of offer, we had 11 full time employees. We are in the process to include more talent into our company.

Insurance

We have availed insurance policies for our stocks.

Capacity and Capacity Utilization

We are engaged in trading and distribution of products and therefore, capital utilisaiton is not applicable on our company.



Intellectual Property

Trademark:

Our Company has not applied for trademarks or logo registration as on the date of this Draft Letter of Offer.

Property

We carry out our business operations from the following property(ies):

Particular of the Property	Vendor	Lease / Owned	Use
Office No. 104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd. Akurli Road Kandivali East Mumbai City MH 400101	Mrs. Kanta A Maheshwari	Lease for a period of 24 months w.e.f. 10 th March, 2022 at a rent of Rs. 40,000 per month for first 12 months and Rs. 42000 Per month for next 12 months.	Registered Office
Flat No. 11A/104, First Floor:1, Baronet,Block Sector Lokhandwala Township, Kandivali East, Akurli Road, Mumbai, Maharastra 400101	M/s. Ajay Maheshwari HUF	Lease for a period of 24 months w.e.f. 10 th March, 2022 at a rent of Rs. 41,000 per month for first 12 months and Rs. 432000 Per month for next 12 months.	Branch office



OUR MANAGEMENT

Board of Directors

Currently, our Company has 6 (Six) Directors on our Board comprising of 1 (One) Executive Directors, and 3 (Three) Independent Directors and 2 (Two) Non Executive and Non Independent Director. The composition of the Board of Directors is governed by the provisions of the Companies Act and the SEBI Listing Regulations and the norms of the code of corporate governance as applicable to listed companies in India.

The Articles of Association provide that our Company shall not have less than three Directors and not more than fifteen Directors as provided in the Companies Act, 2013.

Pursuant to the provisions of the Companies Act, 2013, at least two-third of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each Annual General Meeting. A retiring director is eligible for re-appointment. Further, an Independent Director may be appointed for a maximum of two consecutive terms of up to five years each.

The following table sets forth details regarding our Board of Directors as of the date of this Draft Letter of Offer.

Name, Father's name, Address, Occupation, Nationality, tenure & DIN	Date of Birth	Status of Directorship in our Company	Other Directorships
1. Mr. Ulhas Narayan Deosthale S/o Narayan Madhav Deosthale A/404, Sai Sanskar, Off Sion-Trombay Road, Opp. Saras Baug, Deonar, Mumbai 400088 Occupation: Nationality: Indian Tenure: Retire by Rotation DIN: 09215291 PAN: AFHPD4239C	15/06/1958	Whole time Director	1. Manusmruti Trading Private Limited
2. Mr. Rajesh Mirchumal Sadhwani S/o Mirchumal Sadhwani 1004, Bldg. 5, Marina Residence, Palm Jumeirah, Dubai, UAE Occupation: Nationality: Tenure: Retire by Rotation DIN: 08315182 PAN: BHFPS0322A	02/11/1968	Non-Executive Non-Independent Director	NIL



GENPHARMASEC LIMITED
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Name, Father's name, Address, Occupation, Nationality, tenure & DIN	Date of Birth	Status of Directorship in our Company	Other Directorships
3. Ms. Sneha Sadwani D/o Thakur Das Kewal Ram Sadnani 1004, Bldg. 5, Marina Residence, Palm Jumeirah, Dubai, UAE Occupation: Nationality: Tenure: Retire by Rotation DIN: 08315181 PAN: CFMPS7251E	13/05/1968	Non-Executive Non-Independent Director	NIL
4. Mr. Sachin Prakash Aphandakar S/o Prakash Tukaram Aphandakar 19, Ashirwad Niwas, Ganesh Nagar, Ganesh Ground, Dahisar (East), Mumbai - 400068 Occupation: Nationality: Tenure: Five years DIN: 08715329 PAN: AIFPA2761B	10/09/1985	Non-Executive Independent Director	NIL
5. Mr. Siddhesh Shankar Shende S/o Shankar Babu Shende Room No. 3, Harinandan Yadav Mishra Chawl, Pratap Nagar, Mumbai, Maharashtra-400060 Occupation: Nationality: Tenure: Five years DIN: 09629926 PAN: CSOPS9696C	30/07/1991	Non-Executive Independent Director	NIL
6. Mr. Mayur Bharatbhai Bhatt S/o Bharatbhai Ramshankar Bhatt Room 3/3, Prabhalal Chawl, Rawal Pada, Near Ganesh Nagar, S N Dubey Road, Dahisar East Mumbai 400068 Occupation: Nationality: Tenure: Five years DIN: 08715614 PAN: BHAPB9185K	01/11/1991	Non-Executive Independent Director	1. R M Drip and Sprinklers systems Limited



Relationship between Directors

None of the Directors are related to each other as per the provisions of the Companies Act, 2013 except that Mrs. Sneha Sadwani is wife of Mr. Rajesh Mirchumal Sadhwani.

Brief Profiles of Directors

1. Mr. Ulhas Narayan Deosthale, aged 64 years, is the whole time Director of the Company. He is a Law Graduate and He is having of more than 15 years in Chemical & Pharma Industry and other allied industries. Under his leadership, our Company has built a strong team. He gives directions to our Company and is responsible for planning and executing the expansions and diversification of our Company. He is result oriented, focused, hardworking person and provides strategic advice and guidance to the members of the Board of Directors, to keep them aware of developments to ensure that appropriate policies are developed.

2. Mr. Rajesh Mirchumal Sadhwani, aged 54 years is the Non Executive and Non Independent Director our Company. He has done B.Com from Mumbai University in the year 2000. He has rich experience of Medical equipments and related industry for more than 35 years. He provides strategic guidance to our Company. He is committed to providing sound leadership and guidance to the Board of Directors of our Company.

3. Ms. Sneha Sadwani, aged 55 years is the Non Executive and Non Independent Director our Company. She has done B.Com. She has rich experience of Medical equipments and related industry for more than 35 years. She provides strategic guidance to our Company. She is committed to providing sound leadership and guidance to the Board of Directors of our Company.

4. Mr. Sachin Prakash Aphandakar, aged 37 years is Non Executive and Independent Director of our Company. He has good knowledge in Quality Control in the areas of Production & print media. He brings a wealth of experience and knowledge to the table, and his insights are invaluable. He is a strong advocate for the company's mission and values, and he is committed to helping the company achieve its goals.

5. Mr. Siddhesh Shankar Shende, aged 31 years is Non Executive and Independent Director of our Company. He has an experience of 7 years in the field of Administration & Logistics. He brings a wealth of experience and knowledge to the table, and his insights are invaluable. He is a strong advocate for the company's mission and values, and he is committed to helping the company achieve its goals.

6. Mr. Mayur Bharatbhai Bhat, aged 31 years is Non Executive and Independent Director of our Company. He has an overall experience of 5 years in the field of Income Tax Audit & GST Audit. He brings a wealth of experience and knowledge to the table, and his insights are invaluable. He is a strong advocate for the company's mission and values, and he is committed to helping the company achieve its goals.

Details of any arrangement or understanding with major shareholders, customers, suppliers or others

Our Company has not entered into any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors have been appointed in the Board.



Other Confirmations:

1. None of Directors are currently, or have been in the past five years, on the board of directors of a listed company whose shares have been or were suspended from being traded on the Stock Exchange.
2. None of our Directors is or was, in the past ten years, a director of any listed company which has been or was delisted from any stock exchange in India during the term of their directorship in such company.

CORPORATE GOVERNANCE

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting.

We have Board constituted Board Committees in compliance with the Companies Act. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently, our Company has 6 (Six) Directors on our Board comprising of 1 (One) Executive Directors, and 3 (Three) Independent Directors and 2 (Two) Non Executive and Non Independent Director.

The following committees have been formed in compliance with the Corporate Governance norms:

- A) Audit Committee
- B) Stakeholders Relationship Committee
- C) Nomination and Remuneration Committee

AUDIT COMMITTEE

Our Company has constituted an audit committee ("Audit Committee"), as per the provisions of Section 177 of the Companies Act, 2013 and regulation 18 of SEBI LODR Regulations.

The terms of reference of Audit Committee complies with the requirements of Companies Act, 2013 and regulation 18 of SEBI LODR Regulations. The committee presently comprises following four (4) directors. Mr. Mayur Bharatbhai Bhatt is the Chairperson of the Audit Committee.

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mayur Bharatbhai Bhatt	Chairperson	Non-Executive - Independent Director
2.	Siddhesh Shankar Shende	Member	Non-Executive - Independent Director
3.	Sachin Prakash Aphandakar	Member	Non-Executive - Independent Director
4.	Rajesh Mirchumal Sadhwani	Member	Non-Executive - Non Independent Director

Role of Audit Committee

The terms of reference of the Audit Committee are given below:



- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - o matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - o changes, if any, in accounting policies and practices and reasons for the same;
 - o major accounting entries involving estimates based on the exercise of judgment by management;
 - o significant adjustments made in the financial statements arising out of audit findings;
 - o compliance with listing and other legal requirements relating to financial statements;
 - o disclosure of any related party transactions;
 - o modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- discussion with internal auditors of any significant findings and follow up there on;
- 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;
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- to review the functioning of the whistle blower mechanism;



- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- such other terms of reference/role as may be amended from time to time.

All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the SEBI (LODR) Regulations, 2015 are covered in the terms of reference of the Audit Committee.

In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Our Company has constituted a Stakeholders Relationship Committee ("*Stakeholders relationship committee*") to redress the complaints of the shareholders in terms of section 178 (5) of Companies Act, 2013 and regulation 19 of SEBI LODR Regulations. The committee currently comprises of four (4) Directors. Mr. Mayur Bharatbhai Bhatt is the Chairperson of the Stakeholders relationship Committee.

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mayur Bharatbhai Bhatt	Chairperson	Non-Executive - Independent Director
2.	Siddhesh Shankar Shende	Member	Non-Executive - Independent Director
3.	Sachin Prakash Aphandakar	Member	Non-Executive - Independent Director
4.	Rajesh Mirchumal Sadhwani	Member	Non-Executive - Non Independent Director

Role of stakeholder Relationship committee

The Stakeholder Relationship Committee of our Board look into:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for the effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- such other terms of reference/role as may be amended from time to time.



The status on various complaints received / replied is reported to the Board of Directors as an Agenda item.

NOMINATION AND REMUNERATION COMMITTEE

Our Company has constituted a Nomination and Remuneration Committee ("Nomination and Remuneration Committee") in terms of section 178 (3) of Companies Act, 2013 and regulation 19 of SEBI LODR Regulations. The Committee currently comprises of four (4) Directors. Mr. Sachin Prakash Aphandakar is the Chairperson of the Nomination and Remuneration Committee.

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Sachin Prakash Aphandakar	Chairperson	Non-Executive - Independent Director
2.	Siddhesh Shankar Shende	Member	Non-Executive - Independent Director
3.	Mayur Bharatbhai Bhatt	Member	Non-Executive - Independent Director
4.	Rajesh Mirchumal Sadhwani	Member	Non-Executive – Non Independent Director

The terms of reference of the Nomination and Remuneration Committee are as follows:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- 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.
- recommend to the board, all remuneration, in whatever form, payable to senior management.
- such other terms of reference/role as may be amended from time to time.



GENPHARMASEC LIMITED
(CIN- L24231MH1992PLC323914)

Our Key Management Personnel and Senior Management Personnel

S.No.	Name of key Management Personnel and Senior Management Personnel	Designation	Associated with the Company Since
1.	Mr. Ulhas Narayan Deosthale	Whole Time Director	29/06/2021
2.	Mr. Sohan Chaturvedi	Chief Financial Officer	01/11/2022
3.	Ms. Heta Deepak Shah	Company Secretary	07/11/2022

Relationship of Key Managerial Personnel with our Directors, Promoter and / or other Key Managerial Personnel


There is no relationship between Key managerial personnel with Our Directors, Promoters and/ or Other Key Managerial personnel except that Mrs. Sneha Sadwani is wife of Mr. Rajesh Mirchumal Sadhwani



OUR PROMOTER

Details of Our Promoters are as under:

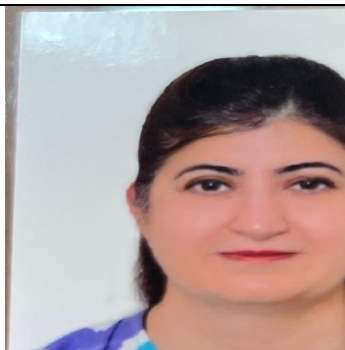
1. RAJESH SADHWANI

	<p>Mr. Rajesh Mirchumal Sadhwani, aged 54 years is the Non Executive and Non Independent Director our Company. He has done B.Com from Mumbai University in the year 2000. He has rich experience of Medical equipments and related industry for more than 35 years. He provides strategic guidance to our Company. He is committed to providing sound leadership and guidance to the Board of Directors of our Company.</p>
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Identification

Name	Rajesh Sadhwani
Permanent Account Number	BHFPS0322A
Passport No.	HN291618
Date of Birth	02/11/1968
Education Qualification	Graduate in Commerce
Address	1004, Bldg. 5, Marina Residence, Palm Jumeirah, Dubai, UAE
Other Directorship	NIL

2. SNEHA SADHWANI

	<p>Ms. Sneha Sadwani, aged 55 years is the Non Executive and Non Independent Director our Company. She has done B.Com. She has rich experience of Medical equipments and related industry for more than 35 years. She provides strategic guidance to our Company. She is committed to providing sound leadership and guidance to the Board of Directors of our Company.</p>
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Identification

Name	Sneha Sadwani
Permanent Account Number	CFMPS7251E



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Passport No.	M1347423
Date of Birth	13/05/1968
Education Qualification	Graduate in Commerce
Address	1004, Bldg. 5, Marina Residence, Palm Jumeirah, Dubai, UAE
Other Directorship	NIL

Confirmation

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as wilful defaulter or a fraudulent borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. None of the Promoter has a negative net worth as of the date of the respective last audited financial statements.



SECTION VI - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Particulars	Page No.
Audited Financial Statements for the financial year ended on March 31, 2023	F1
Unaudited Standalone Financial results for the quarter ended June 30, 2023	F37
Statement of Accounting Ratios	103

Material changes and commitments, if any, affecting our financial position

There are no material changes and commitments, which are likely to affect our financial position since March 31, 2023 till date of this Draft Letter of Offer. We have not given Restated Financials because we fall under Part-B of SEBI (ICDR), 2018. We have approved and filed the Limited review financial results for the quarter ended June 30, 2023 with the Stock Exchange. For the Limited review financial results for the quarter ended June 30, 2023, please see Section “Financial Information” on page 102.

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INDEPENDENT AUDITORS' REPORT

To The Members of Genpharmasec Ltd
(Formerly known as 'Generic Pharmasec Ltd')

Report on the audit of the standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of Genpharmasec Ltd (Formerly known as 'Generic Pharmasec Ltd') ("the Company"), which comprise the balance sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as 'standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the Indian accounting standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit, total comprehensive income, changes in equity and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the standalone financial statements in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.



Information other than the financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- (c) The balance sheet, the statement of profit and loss including the Statement of Other Comprehensive Income, the cash flow statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended

In our opinion and according to the information and explanation given to us, the managerial remuneration that has been paid / provided by the Company to its directors/key managerial personnel are in accordance with the provisions of section 197 read with Schedule V to the Act. for the year ended March 31, 2023;

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - a. The Company does not have any pending litigations which would impact its financial position;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - d. i. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - ii. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

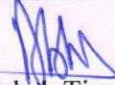


iii. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

iv. No dividend declared and paid during the year by the Company, hence no such compliance with Section 123 of the Act applicable to the company.

v. Provison to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Abhishek S Tiwari & Associates
Chartered Accountants


Abhishek Tiwari
Partner

M.No.155947

Place: Mumbai

Date: 26th May, 2023

UDIN: 23155947BGSTQQ9157



Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of Genpharmasec Ltd (Formerly known as 'Generic Pharmasec Ltd') ('the Company') on the standalone financial statements for the year ended 31 March 2023, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company do not hold any intangible assets during the year. Hence clause 3(i)(a)(B) of the order is not applicable.
- (b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not hold any immovable property. Accordingly clause 3(i) (c) of the order is not applicable.
- (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in, provided any guarantee or security or granted any loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties. Accordingly clause 3 (iii) (a) to (f) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans which require compliance of section 185 of the Act. However company has made investments in compliance with s. 186 of the Act.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly clause 3 (v) of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Accordingly clause 3 (vi) of the Order is not applicable.
- (vii) (a) According to the information and explanation given to us, provident fund, employees state insurance, sales-tax, wealth tax, duty of customs, duty of excise, are not applicable to the company. The Company is regular in depositing undisputed statutory dues including income tax, value added tax, Goods and Service Tax, Profession tax and other

statutory dues with the appropriate authorities during the year, except for profession tax.

According to the information and explanation given to us, no undisputed amounts payable were in arrears, as at 31st March, 2023 for the period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no statutory dues of income tax, goods and service tax, provident fund, sales-tax or duty of customs or duty of excise or value added tax, cess which have not been deposited with the appropriate authorities on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) According to the information and explanation given to us and overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been utilized during the year for long-term purposes by the Company.

(e) The Company does not have any subsidiaries or associates or joint venture. Accordingly, the requirement to report under clause (ix)(e) of the Order is not applicable.

(f) The Company does not have any subsidiaries or associates or joint venture. Accordingly, the requirement to report under clause (ix)(f) of the Order is not applicable.

(x) (a) The Company did not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) Based on the examination of books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standard of Auditing, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xii) The Company is not a nidhi company and accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us, the transactions with the related parties are in compliance with s. 177 and s. 188, of the Act where applicable and

the details have been disclosed in the notes to the financial statement, as required by the applicable accounting standard.

- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

- (xvii) The Company has not incurred cash losses in the current financial year. In the immediately preceding financial year, the company had incurred cash losses amounting to 'Rs. 42.89 Lacs'.

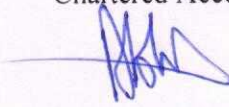
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



- (xx) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the provisions of s. 135 of Companies Act, 2013 are not applicable to the company. Accordingly reporting under clause 3(xx)(a) & (b) of the Order is not applicable.
- (xxi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company do not have any consolidated financial statement. Hence reporting under clause 3 (xxi) of the Order is not applicable.
- (xxii)

For Abhishek S Tiwari & Associates
Chartered Accountants


Abhishek Tiwari
Partner

M.No.155947

Place: Mumbai

Date: 26th May, 2023

UDIN: 23155947BGSTQQ9157



Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls over financial reporting of Genpharmasec Ltd (Formerly known as 'Generic Pharmasec Ltd') ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal financial control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

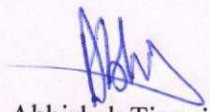
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Abhishek S Tiwari & Associates

Chartered Accountants


Abhishek Tiwari

Partner

M.No.155947

Place: Mumbai

Date: 26th May, 2023

UDIN: 23155947BGSTQQ9157



GENPHARMASEC LIMITED
(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)
Balancesheet as at 31st March, 2023

(Amount in Lakhs)

Particulars	Notes No.	As At 31st March 2023	As At 31st March 2022
Assets			
(1) Non-Current Assets			
(A) Property, Plant And Equipment	2	10.00	10.37
(B) Financial Assets			
(I) Investments		-	-
(C) Deferred Tax Asset (Net)	3	84.61	0.29
Total Non-Current Assets		94.61	10.66
(2) Current Assets			
(A) Inventories	4	967.55	988.89
(B) Financial Assets			
(I) Investments	5	95.35	245.00
(II) Trade Receivables	6	570.92	644.81
(III) Cash And Cash Equivalents	7	39.76	160.66
(IV) Bank Balance Other Than (iii) Above	7	159.55	0.10
(V) Loans	8	48.13	67.99
(C) Current Tax Assets (Net)	9	0.76	26.36
(D) Other Current Asset	10	10.90	20.56
Total Current Assets		1,892.92	2,154.37
Total Assets		1,987.53	2,165.03
Equity And Liabilities			
Equity			
(A) Equity Share Capital	11	2,768.60	2,768.60
(B) Other Equity	12	(1,235.56)	(1,231.65)
Total Of Equity		1,533.04	1,536.95
Liabilities			
(1) Non-Current Liabilities			
(A) Financial Liabilities			
(I) Borrowings	13	248.12	-
Total Non-Current Liabilities		248.12	-
(2) Current Liabilities			
(A) Financial Liabilities			
(I) Borrowings	14	60.08	-
(II) Trade Payables			
A) Total Outstanding Dues Of Micro Enterprises And Small Enterprises	15	-	-
B) Total Outstanding Dues Of Creditors Other Than Micro Enterprises And Small Enterprises	15	137.00	622.06
(B) Other Current Liabilities	16	9.29	6.01
Total Current Liabilities		206.37	628.07
Total Equity And Liabilities		1,987.53	2,165.02

See accompanying notes to the financial statement

"1-48"

As per our report of even date

For Abhishek S Tiwari & Associates
Chartered Accountants
Firm number: 141048W

Partner: Abhishek Tiwari
Membership No. 155947
Place: Mumbai
Date :26.05.2023
UDIN : 23155947BGSTQQ9157



For and on behalf of the Board
GENPHARMASEC LIMITED
(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)

Rajesh Sadhwani
(Non- Executive Director)
DIN : 08315182

Ulhas N. Deosthale
Director
DIN:09215291

Sohan Chaturvedi
(CFO)
DIN : 09629728

Heta Deepak Shah
Company Secretary
M.No.: A69749



<p style="text-align: center;">GENPHARMASEC LIMITED (FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED) Statement of Profit and Loss for the year ended 31st March, 2023 (Amount in Lakhs)</p>				
Particulars	Note No	For the year ended 31st March, 2023	For the year ended 31st March, 2022	
I) Revenue From Operations	17	2,551.57	2,732.05	
II) Other Income	18	10.01	9.26	
III) Total Revenue (I+II)		2,561.58	2,741.31	
IV) Expenses :				
Purchase of Stock-in-Trade	19	2,318.40	2,877.33	
Changes in Inventory of Finished goods, Work-in-Progress and Stock-in-Trade	20	21.34	(220.81)	
Employee Benefit Expenses	21	53.67	25.45	
Finance Cost		5.60	-	
Depreciation and Amortization Expenses	2	1.97	1.42	
Other Expenses	22	132.45	102.21	
Total Expenses (IV)		2,533.42	2,785.62	
V) Profit (Loss) Before exceptional items and tax (III-IV)		28.16	(44.31)	
VI) Exceptional Items		-	-	
VII) Profit before tax (V-VI)		28.16	(44.31)	
VIII) Tax Expenses				
i) Current Tax		-	23.39	
ii) Earlier taxes			(0.02)	
iii) Deferred Tax		84.32		
IX) Profit (Loss) from Continuing Operations (VII-VIII)		112.48	(20.94)	
X) Other Comprehensive income;				
A (i) Items that will not be reclassified to profit or loss		(116.40)	(508.27)	
B (i) Items that will be reclassified to profit or loss		-	-	
Total Comprehensive Income for the period (Comprising profit/ (loss) and other Comprehensive Income for the period (IX+X))		(3.92)	(529.21)	
XII) Earnings per Equity Shares	23			
1) Basic		0.04	(0.01)	
2) Diluted		0.04	(0.01)	
XIII) Nominal Value of share (in Rs.)		1.00	1.00	

See accompanying notes to the financial statement "1-48"

As per our report of even date

For Abhishek S Tiwari & Associates
Chartered Accountants
Firm number: 141048W

Partner: Abhishek Tiwari
Membership No. 155947
Place: Mumbai
Date :26.05.2023
UDIN : 23155947BGSTQQ9157

For and on behalf of the Board
GENPHARMASEC LIMITED
(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)

Rajesh Sadhwani
(Non- Executive Director)
DIN :08315182

Sohan Chaturvedi
(CFO)
DIN : 09629728

Ulhas N. Deosthale
Director
DIN:09215291

Heta Deepak Shah
Company Secretary
M.No.: A69749

GENPHARMASEC LIMITED

(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)

Cash Flow Statement for the year ended 31st March, 2023

(Amount in Lakhs)

PARTICULARS	For the year ended 31st March 2023	For the year ended 31st March 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit /(Loss) before tax and Extra Ordinary items	28.16	(44.31)
Adjustment for:-		
Depreciation	1.97	1.42
Loss on sale of Assets	-	0.92
Dividend Received	(0.00)	(0.03)
Interest on FD measured at Amortised cost	(2.27)	(0.10)
Interest Income on income tax refund	(0.80)	(6.50)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	27.05	(48.59)
Adjustment for:-		
(Increase)/decrease Trade and Other Receivables	73.89	107.67
Increase/(decrease) Trade Payables	(485.06)	(89.49)
Increase/(decrease) Other Current Liabilities	3.28	2.08
(Increase)/decrease in Inventories	21.34	(220.81)
(Increase)/decrease Others Current Assets	9.66	16.74
(Increase)/decrease Non Current Assets	-	1.26
(Increase)/decrease Others Current Liabilities	-	(0.29)
CASH GENERATED FROM OPERATIONS	(376.89)	(182.85)
Income tax refund / (tax paid)-Net	26.40	(26.36)
Last Year Direct Taxes Paid	-	23.39
I NET CASH FLOW FROM OPERATING ACTIVITIES	(323.44)	(234.41)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1.60)	(8.05)
Sale of Fixed Assets	-	0.17
Interest on FD	2.27	0.10
Dividend Received	0.00	0.03
Proceeds from Sale of Investment	33.25	27.34
Loans Given/ Repayments Received (Net)	19.86	15.74
Interest Income	-	6.50
II NET CASH USED IN INVESTING ACTIVITIES	53.79	41.82
C CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings	308.20	-
III NET CASH USED IN FINANCING ACTIVITIES	308.20	-
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS (I + II + III)	38.55	(192.59)
Add:- CASH & CASH EQUIVALENTS AS AT BEGNNING	160.76	353.35
CLOSING BALANCE OF CASH & CASH EQUIVALENTS (Refer Note 7)	199.31	160.76

For Abhishek S Tiwari & Associates
Chartered Accountants
Firm number: 141048W



Partner: Abhishek Tiwari
Membership No. 155947
Place: Mumbai
Date :26.05.2023
UDIN : 23155947BGSTQQ9157

Rajesh Sadhwani
(Non- Executive Director)
DIN :08315182

Ulhas N. Deosthale
Director
DIN:09215291

For and on behalf of the Board
GENPHARMASEC LIMITED
(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)

Sohan Chaturvedi
(CFO)
DIN : 09629728

Heta Deepak Shah
Company Secretary
M.No.: A69749



GENPHARMASEC LIMITED

(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Note 1: Significant accounting policies

Background

Generic Pharmasec Limited (the company) was incorporated in India in the year 1992 as a Public Limited Company and is listed on Bombay stock exchange having its registered office at Office no. 104 & 105, 1st floor, Gundecha Industrial Premises Co-op. Soc. Ltd., Akurli Road, Kandivali East, Mumbai - 400101. The Name of the company has been changed from Generic Pharmasec Limited to Genpharmasec Limited w.e.f. 25th October, 2021.

The company is dealing primarily in pharmaceutical activities / services and trading in equity shares.

The financial statements were approved for issue by the Board of Directors on 26th May, 2023.

a. Basis of preparation

(i) Compliance with Ind AS

The company has prepared financial statements for the year ended March 31, 2023 in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act together with comparative period data as at and for the year ended March 31, 2022.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

Certain financial assets and liabilities which are measured at fair value have been referred in note no.25.

(iii) Current versus Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current non - current classification of assets and liabilities.

b. Revenue Recognition

(i) Sale of Goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

(ii) Interest Income

Interest Income from a Financial Assets is recognized using effective interest rate method.

(iii) Dividend Income

Dividend Income is recognized when the Company's right to receive the amount has been established which is generally when shareholder approves the dividend and it is probable that



economic benefit associated with the dividend will flow to the company and the amount of dividend can be measured reliably.

c. Inventories

Items of inventories include stock in trade of equity shares, medical diagnostic products. The inventories for stock in trade of equity shares are measured as per Ind AS 109 (Financial Instrument). However, the inventories for medical diagnostic products are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

d. Tax Expense

The tax expense for the period comprises current tax and deferred income tax. Tax is recognized in the statement of income except to the extent it relates to items directly recognized in equity or in other comprehensive income.

(i) Current Tax:

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

(ii) Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary difference and the carry forward of unused tax credit and unused tax losses, if any, can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(iii) Minimum Alternate Tax:

The Company is opting for alternative tax regime section of 115BAA of Income Tax Act, 1961 from FY 2022-23 onwards for filing of Income Tax Return . Hence, MAT credit of Rs.26.87 Lacs has been lapsed.

e. Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair valueless costs of disposal and value in use. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

f. Cash and cash equivalents

For the purposes of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, in banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

g. Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

h. Financial instruments



i) Financial Assets

A. Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss transaction costs that are attributable to the acquisition of the financial asset. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. Based on the Company's business model, the Company has classified its equity shares held as stock in trade at FVTPL.

C. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

D. Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss

(ii) Financial liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

(i) Trade and other payables:

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(ii) Loans and borrowings:



After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

i. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

j. Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset, if any, are capitalized as part of the cost.

(ii) Depreciation

The Company depreciates property, plant and equipment on a Straight-Line basis as per the useful lives prescribed under Schedule II of the Companies Act, 2013. The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate and where appropriate.

k. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

l. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

m. Earnings per share

The basic earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which would have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless they have been issued at a later date.

n. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rupees in Lakhs as per the requirement of Schedule III, unless otherwise stated.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's financial statements requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as and when management becomes aware of changes and circumstances surrounding the estimates. Changes in the

estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to financial statements. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below:

- Recognition of deferred tax asset: availability of future taxable profit
- Recoverability of trade receivable
- Recognition and measurements of provision and contingencies: key assumption of the livelihood and magnitude of an outflow of resources.
- Impairments of Non-Financial Assets
- Impairments of Financial Assets

**For and on behalf of the Board
GENPHARMASEC LIMITED**



Rajesh Sadhwani
(Non- Executive
Director)
DIN :08315182



Sohan Chaturvedi
(CFO)
DIN : 09629728



Ulhas Narayan Deosthale
(Director)
DIN : 09215291



Heta Shah
(Company Secretary & Compliance Officer)
Membership No.: A69749

Place: Mumbai
Date: 26th May, 2023

**For Abhishek S Tiwari &
Associates
Chartered Accountants
Firm Number:141048W**



Abhishek Tiwari
(Proprietor)
Membership No.: 155947
UDIN:23155947BGSTQQ9157

Place: Mumbai
Date: 26th May, 2023



<p style="text-align: center;">GENPHARMASEC LIMITED (FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED) NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023</p>										
<p style="text-align: center;">Note - 2 Property Plant and Equipment Tangible Assets as at 31st March 2023</p>										
S.NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK	
		AS AT 01.04.2022	ADDITIONS DURING THE YEAR	SALE / DISPOSAL DURING THE YEAR	AS AT 31.03.2023	AS AT 01.04.2022	FOR THE YEAR	ADJUSTM ENT	AS AT 31.03.2023	NET CARRYING AMOUNT AS AT 31.03.2022
1	Office Furniture	3.11	0.19	-	3.30	0.50	0.36	-	0.86	2.44
2	Air Conditioner	0.96	-	-	0.96	0.15	0.11	-	0.26	0.70
3	Office Equipments	1.32	0.68	-	2.00	0.48	0.33	-	0.81	1.18
4	Cold Room & Freezer	6.91	-	-	6.91	1.13	0.54	-	1.67	5.24
5	Computer Equipments	1.41	0.73	-	2.14	1.08	0.61	-	1.69	0.44
	TOTAL	13.71	1.60	-	15.31	3.34	1.97	-	5.31	10.00
	Previous year	6.74	8.05	1.09	13.71	1.92	1.42	-	3.34	10.37
										4.83



GENPHARMASEC LIMITED			
(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)			
(Amount in Lakhs)			
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 st March , 2023			
PARTICULARS	As at 31.03.2023		As at 31.03.2022
NOTE # 3			
Deferred Tax Asset (Net)			
Deferred Tax Asset relating to Brought forward loss and Unabsorbed Depreciation	84.09		-
Deferred Tax Asset relating to Property, Plant & Equipment	0.53		0.29
	84.61		0.29
NOTE # 4			
Inventories * (at lower of cost and net realisable value)			
Stock In Trade - Pharma	896.65		800.56
Stock In Trade - Shares	70.90		188.32
	967.55		988.89
Details of materials in transit included in inventories above			
Stock in Transit- Pharma	-		160.57
*Refer Note No.1 (c) for method of valuation of inventories			
NOTE # 5			
Investments designated as FVOCI			
Investment in Equity Instruments :Quoted & fully paid up			
Non - Current :			
Nil (PY 22,539) Pritika Auto Industries Ltd Equity Shares of (FV Rs. 10/-)	-		-
Equity Warrants -Pritika Auto Industries Ltd (FV Rs. 10/-)	-		-
	-		-
Current :			
East West Holdings Ltd	-		-
11,50,176 (PY 11,90,690) Trescon Ltd Equity Shares of (FV Rs.10)	95.35		215.08
Nil (PY 16,19,352) Trio Mercantile & Trading Ltd Equity Shares of (FV Rs	-		29.92
	95.35		245.00
	95.35		245.00
Aggregate value of quoted investment and market value thereof:			
Non - Current	-		-
Current	95.35		245.00
	95.35		245.00
Aggregate value of unquoted investment and market value thereof:			
	-		-



NOTE # 6			
Trade receivables (Unsecured , considered good)			
Trade receivables		570.92	644.81
		570.92	644.81

Trade receivables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 Years	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	401.77	129.63	-	39.52	-	-	570.92
ii) Undisputed Trade Receivables – which have significant increase in credit risk		-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired		-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good		-	-	-	-	-	-
increase in credit risk		-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired		-	-	-	-	-	-
Total	401.77	129.63	-	39.52	-	-	570.92

Trade receivables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 Years	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	527.21	78.26	8.37	30.97	-	-	644.81
significant increase in credit risk		-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired		-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good		-	-	-	-	-	-
increase in credit risk		-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired		-	-	-	-	-	-
Total	527.21	78.26	8.37	30.97	-	-	644.81

Note :- No amounts are receivable from directors or other officers of the company either severally or jointly with any other person or from by the firms or private companies in which any director is a partner or a director or a member.

NOTE # 7

Cash and Cash Equivalents

Balances with Bank

-in Current accounts

22.49

152.65

-in Overdraft accounts (Secured)*

9.81

-

Cash on Hand

7.46

8.01

39.76

160.66

Bank Balance other than Cash & Cash Equivalent

Bank Deposits with original maturity more than 3 month
ans less than 12 months- HDFC Bank

0.10

0.10

Bank Deposits with original maturity more than 3 month
ans less than 12 months - Kotak Mahindra Bank *

159.45

-

159.55

0.10

199.31

160.76

* Bank has sanctioned OD limit of Rs.300 Lakhs against lien of Kotak Mahindra Bank Fixed Deposit of Rs. 158 Lakhs



NOTE # 8			
Current Loans			
(Unsecured Considered Good)			
<u>Other Loans</u>			
- Others Entities	55.96		67.92
Loan to Employee	2.66		0.07
	58.62		67.99
Less: Allowance for Bad & Doubtful Loans	(10.49)		-
	48.13		67.99
Note :- No amounts are receivable from directors or other officers of the company either severally or jointly with any other person or from by the firms or private companies in which any director is a partner or a director or a member.			
NOTE # 9			
Current Tax Asset (Net)			
Advance Tax, TDS and TCS (Provisions for Tax Nil as on 31.03.2023 and Provisions for Tax Nil as on 31.03.2022)	0.76		26.36
	0.76		26.36
NOTE # 10			
Other Current Asset			
(Unsecured, Considered good)			
(ii) Advances Other Than Capital advances			
(a) Security deposit	4.50		4.50
(b) Other Advances			
ITC Balances	3.24		12.99
Prepaid Expenses	2.11		1.55
Advances against goods	1.05		1.52
	10.90		20.56
Note :- No amounts are receivable from directors or other officers of the company either severally or jointly with any other person or from by the firms or private companies in which any director is a partner or a director or a member.			



PARTICULAR	(Amount in Lakhs) As at 31st March, 2023	(Amount in Lakhs) As at 31st March, 2022
Note - 11		
Share Capital		
Authorized Capital	3,000.00	3,000.00
Equity Shares of Re 1/- each (30,00,00,000 Equity Shares of Re. 1/- each at March 31, 2023 and March 31, 2022 respectively)		
TOTAL	3,000.00	3,000.00
Issued,Subscribed and Paid up:		
Equity Shares of Re. 1/- each Fully Paid up (27,68,59,850 and 27,68,59,850 Equity Shares of Re. 1/- each at March 31, 2023 and March 31, 2022 respectively) Add : Issued on Conversion of Warrants	2,768.60	2,768.60
TOTAL	2,768.60	2,768.60
(i)Reconciliation of number of share outstanding at beginning and at the end of the reporting period:		
At the beginning of the year	2,768.60	2,768.60
Add : Issued Conversion of warrants	-	-
Outstanding at the end of the year	2,768.60	2,768.60
(i) Terms/ right attached to Equity Shares		
The Company has only one class of equity shares having par value of Re.1/- per Shares. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity share will be entitled to receive remaning assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.		
(ii) Detail of shares held by the holding company, the ultimate holding company, their subsidiaries and associates :	NIL	NIL
(iii) Details of Shareholders holding more than 5% shares in the Company		
		(Shares Qty in Lakhs)
Name of the Shareholder	As at 31st March, 2023	As at 31st March, 2022
	% No of Shares	% No of Shares
Rajesh Sadhwani	26.37 730.00	26.37 730.00
Sneha Sadhwani	33.59 930.01	33.59 930.01
	59.96 1,660.01	59.96 1,660.01
(iv) Shareholding Pattern of Promoters at the end of the year ended 31.03.2023 are as follows:-		
Promoter Name	Number of Shares held (in Lakhs)	% of Total Shares % change during the year
Sneha Sadhwani	930.01	33.59 Nil
Rajesh Sadhwani	730.00	26.37 Nil
Total	1,660.01	
Shareholding Pattern of Promoters at the end of the year ended 31.03.2022 are as follows:-		
Promoter Name	Number of Shares held	% of Total Shares % change during the year
Sneha Sadhwani	930.01	33.59 Nil
Rajesh Sadhwani	730.00	26.37 Nil
Total	1,660.01	



	As at 31.03.2023		As at 31.03.2022
NOTE # 12			
Other Equity			
(a) Reserve and Surplus			
(i) Retained Earnings	(486.91)		130.52
As per last Balance Sheet	112.48		(20.94)
Add: Profit(Loss) for the year	(82.21)		(596.49)
Add: Transfer of Realised Gain/Loss in Equity Instruments	(456.63)		(486.91)
	(456.63)		(486.91)
(b) Equity Instruments at fair value through Other Comprehensive Income	(744.74)		(832.96)
As per last Balance Sheet	(116.40)		(508.27)
Add: Transfer of FVOCI from Profit and loss account			596.49
Less: Transfer of Realised Gain/Loss in Equity Instruments to retained earnings	82.21		
	(778.93)		(744.74)
Closing Balance	(1,235.56)		(1,231.65)
NOTE # 13			
Non- Current Borrowings			
Unsecured			
Loans from related parties-Directors	248.12		-
	248.12		-
Terms of Repayment: Repayable on demand after one year.			
NOTE # 14			
Current Borrowings			
Unsecured			
Loans from related parties	60.08		-
	60.08		-
Repayable on Demand	60.08		-



NOTE # 15				
Trade Payables				
Current				
Trade Payables		137.00		622.06
		137.00		622.06
i. Total outstanding dues of micro enterprises and small enterprises		-		-
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		137.00		622.06

Trade payables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	-	-	-	-	-
Others	7.70	129.30	-	-	-	137.00
Disputes Dues-MSME	-	-	-	-	-	-
Disputes Dues-Others	-	-	-	-	-	-
Total	7.70	129.30	-	-	-	137.00

Trade payables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	-	-	-	-	-
Others	621.48	0.58	-	-	-	622.06
Disputes Dues-MSME	-	-	-	-	-	-
Disputes Dues-Others	-	-	-	-	-	-
Total	621.48	0.58	-	-	-	622.06

*Disclosure in relation to Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006 ('Act'). The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum Number as allocated after filing of the said Memorandum. Accordingly, the disclosures above in respect of the amounts payable to such enterprises as at the period end has been made based on information received and available with the Company.
As explained by management there is no outstanding balance related to Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006 ('Act') as at year end.

NOTE # 16				
Other Current Liabilities				
Statutory Dues payable		2.13		1.08
Advance against Debtors		7.16		4.93
		9.29		6.01



GENPHARMASEC LIMITED (FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED) NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Amount in Lakhs)		
PARTICULARS	Year ended 31st March, 2023	Year ended 31st March, 2022
Note -17		
Revenue From Operation	2,528.34	2,661.12
Sale Of Goods	23.23	70.93
Sale Of Shares		
Total In Rs	2,551.57	2,732.05
Note -18		
Other Income		-
Dividend	0.00	0.03
Interest On Income Tax Refund	0.80	-
Interest Income For Financial Assets Measured At Amortized Cost	2.27	-
Interest Income For Financial Assets Measured At Amortized Cost	-	6.50
Foreign Exchange Notional Gain/Loss	5.49	1.61
Miscellaneous Income	0.34	1.12
Discount Received	1.10	-
Total In Rs	10.01	9.26
Note -19		
Purchase Of Goods	2,318.40	2,574.16
Purchase Of Stock- Equity Shares	-	303.17
Total In Rs	2,318.40	2,877.33
Note -20		
Changes in Inventory of Finished goods, Work-in-Progress and Stock-in-Trade		
Opening Stock	988.89	768.08
(Less) : Closing Stock	967.55	988.89
Total In Rs	21.34	(220.81)
Note - 21		
Employee Benefit Expenses		
Salaries To Employees	52.33	24.02
Staff Welfare Expenses	1.34	1.34
Staff Insurance	-	0.09
Total In Rs	53.67	25.45
Note -22		
Other Expenses		
Payment To Auditors, As Statutory Auditors-		
Audit Fee	1.50	1.50
CdsI Fees	2.06	0.86
Custom Duty	20.44	-
Director Sitting Fees	1.40	1.38
Miscellaneous Expenses	31.45	20.42
NsdI Fees	1.37	0.94
Office Expenses	0.45	1.58
Bse Fees	3.00	3.50
Professional Fees	27.91	37.33
Rent Exps	14.64	10.44
Transportation Charges	9.10	24.05
Transportation Insurance	1.43	0.21
Bad Debts	7.21	-
Loss Allowance	10.49	-
Total In Rs	132.45	102.21

Note No: 23**Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following data reflects the inputs to calculation of basic and diluted EPS :

Particulars	As at 31.03.2023	As at 31.03.2022
Net Profit after tax attributable to equity holders	112.48	(20.94)
	112.48	(20.94)
Weighted average no of equity shares outstanding during the year- for Both Basic and Diluted EPS (in Lakhs)	2,768.60	2,768.60
Face value of Equity Share	1.00	1.00
Weighted average EPS - Basic	0.04	(0.01)
Weighted average EPS - Diluted	0.04	(0.01)

Note No: 24**Corporate social responsibility (CSR)**

CSR provisions are not applicable to the company for FY 2022-23 & FY 2021-2022 as the company is not satisfying the criteria specified under Section 135(1) of Companies Act



GENPHARMASEC LIMITED (FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED) Fair Value Measurements									
(Amount in Lakhs)									
NOTE NO : 25									
Financial instrument by category:									
Particulars	Level Note	As at March 31, 2023			Level Note	Total Carrying Value	As at March 31, 2022		
		FVPL	FVTOCI	Amortised Cost			FVPL	FVTOCI	Amortised Cost
Financial Assets									
Investments:									
- equity instruments	1	-	95.35	-	1	95.35	-	245.00	-
- mutual funds		-	-	-		-	-	-	-
Trade Receivables	3	-	-	570.92	3	570.92	-	-	644.81
Cash and cash equivalents	3	-	-	39.76	3	39.76	-	-	160.66
Other Bank Balance		-	-	-		-	-	-	-
Derivative financial assets		-	-	-		-	-	-	-
Security deposits		-	-	-		-	-	-	-
Unbilled revenue		-	-	-		-	-	-	-
Bank Balance other than cash & cash equivalent	3	-	-	159.55		159.55	-	-	0.10
Loans	3	-	-	48.13	3	48.13	-	-	67.99
Others		-	-	-		-	-	-	-
Total Financial Assets		-	95.35	818.36		913.71	-	245.00	873.56
Financial Liabilities									
Borrowings									
Current borrowings		-	-	308.20		308.20	-	-	-
Trade payables	3	-	-	137.00	3	137.00	-	-	622.06
-Capital creditors		-	-	-		-	-	-	-
-Other Financial Liabilities		-	-	-		-	-	-	-
Total Financial Liabilities		-	-	445.20		445.20	-	-	622.06

Fair value measurements and valuation processes:

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly, and

Level 3 inputs are unobservable inputs for the asset or liability.



Partner: Abhishek Tiwari
Membership No. 155947
Place: Mumbai
Date :26.05.2023
UDIN : 23155947BGSTQQ9157

For and on behalf of the Board
GENPHARMASEC LIMITED
(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)

Soham Chaturvedi
Soham Chaturvedi
(CFO)
DIN : 09629728

Rajesh Sadhwani
Rajesh Sadhwani
(Non- Executive Director)
DIN : 08315182

Heta Deepak Shah
Heta Deepak Shah
Company Secretary
M.No.: A 69749



GENPHARMASEC LIMITED
(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(Amount in Lakhs)

Particulars	Equity Share Capital	Reserves & Surplus		Other Components in Equity		Total
		Capital Redemption Reserve	Retained Earnings	Equity Instrument through OCI	Money Held Against Share Warrants	
Balance at April 1, 2021	2,768.60	-	130.52	(832.96)	-	2,066.16
Profit for the year	-	-	(20.93)	-	-	(20.93)
Other Comprehensive income for the year	-	-	-	(508.27)	-	(508.27)
Short/ Excess Provision for Tax	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	(20.93)	(508.27)	-	1,536.96
Prior Period Items	-	-	(596.49)	596.49	-	-
Warrant Balance Amount received	-	-	-	-	-	-
Conversion of warrants, issue of equity shares	-	-	-	-	-	-
Balance as at March 31, 2022	2,768.60	-	(486.90)	(744.74)	-	1,536.96
Profit for the year	-	-	112.48	-	-	112.48
Other Comprehensive income for the year	-	-	-	(116.40)	-	(116.40)
Transfer of Realised Gain/Loss in Equity Instruments	-	-	(82.21)	82.21	-	0.00
Short / Excess Provision of Tax	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	30.28	(34.19)	-	(3.91)
Transactions with owners in their capacity as owners:						
Warrant Balance Amount Received	-	-	-	-	-	-
Conversion of warrants, issue of equity shares	-	-	-	-	-	-
Balance as at March 31, 2023	2,768.60	-	(456.62)	(778.93)	-	1,533.05

A) Equity Share Capital

Current Reporting Period

	Changes in Equity Sahre Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Sahre Capital during the current year	Balance at the end of the current reporting period	
Balance at the beginning of the current reporting period	2,768.60	Nil	2,768.60	Nil	2,768.60

Previous Reporting Period

Balance at the beginning of the previous reporting period	Changes in Equity Sahre Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Sahre Capital during the previous year	Balance at the end of the previous reporting period
2,768.60	Nil	2,768.60	Nil	2,768.60

The above statement of changes in equity should be read in conjunction with accompanying notes.
This is the Statement of changes in equity referred to our report of even date.

For Abhishek S Tiwari & Associates
Chartered Accountants
Firm number: 141043 W



Partner: Abhishek Tiwari
Membership No. 155947
Place: Mumbai
Date : 26.05.2023
UDIN : 23155947BGSTQQ9157

Rajesh Sadhwani
(Non- Executive Director)
DIN : 08315182

For and on behalf of the Board
GENPHARMASEC LIMITED
(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)

Sohan Chaturvedi
(CFO)
DIN : 09629728

Ulhas N. Deosthale
Director
DIN:09215291

Heta Deepak Shah
Company Secretary

M.No.: A69749



GENPHARMASEC LIMITED

[FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED]

Business segment:
The Chief Operating Decision Maker ("CODM") reviews the financial performance at Diagnostic Pharma Equipment business and Investment & Trading in securities business, both segments are mutually independently of each other and therefor, the Group has two reportable segments, i.e Diagnostic Pharma Equipment Business and Trading of securities Business

Products from which reportable segments derive their revenues
The Company has considered Diagnostic Pharma Equipments Business and Investment & Trading in Securities Business as the two primary operating business segments.

Diagnostic Pharma Equipments Segment:

The Company has entered into a Distribution Agreement with Abbott Point of Care, USA for distribution of their State-of-the-art diagnostic equipment namely, i-STAT Analyser and its Cartridges. This equipment is a blood analyser exclusively used in Intensive Care Units (ICUs) of hospitals as the test results are available in 10 minutes which helps the attending doctors to decide future course of treatment for the patient. The Cartridges required for the same are sold separately. The Company has installed a Cold Room for storing the Cartridges as these Cartridges are required to be stored at +2°C to +8°C. The Company has started importing i-STAT Analysers directly from Abbott, USA which will improve Company's bottom line in the coming years.

Investment and Trading in Securities Segment

The Company invests in secondary securities market.

NOTE NO 26 : Segment information

Particulars	As at March 31, 2023				As at March 31, 2022			
	Diagnostic Pharma Equipment	Trading in Securities	Un-allocated	Total	Diagnostic Pharma Equipment	Trading in Securities	Un-allocated	Total
Segment Revenue								
Total Revenue	2,528.34	23.23	-	2,551.57	2,661.12	70.93	-	2,732.05
	2,528.34	23.23	-	2,551.57	2,661.12	70.93	-	2,732.05
Segment Results (Profit before tax and Interest)								
Total	195.80	(94.53)	-	101.27	370.84	(356.84)	-	14.00
	195.80	(94.53)	-	101.27	370.84	(356.84)	-	14.00
Less								
(i) Unallocated Finance Cost	-	-	(73.11)	(73.11)	-	-	(58.31)	(58.31)
(ii) Other unallocable expenditure net of unallocable income	-	-	-	-	-	-	-	-
(iii) Inter Segment Eliminations	-	-	-	-	-	-	-	-
Profit Before Tax	195.80	(94.53)	73.11	28.16	370.84	(356.84)	58.31	(44.31)
	195.80	(94.53)	73.11	28.16	370.84	(356.84)	58.31	(44.31)
Segment Assets								
Total	1,483.52	70.93	433.08	1,987.53	1,469.43	193.45	502.15	2,165.03
	1,483.52	70.93	433.08	1,987.53	1,469.43	193.45	502.15	2,165.03
Segment Liabilities								
Total	137.72	-	1,849.81	1,987.53	621.08	-	1,543.96	2,165.04
	137.72	-	1,849.81	1,987.53	621.08	-	1,543.96	2,165.04

Note:- The company operates within India so geographical statement is not prepared



GENPHARMASEC LIMITED
(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March , 2023
(Amount in Lakhs)

Note No. : 27

Related party transactions

a) Related party and nature of the related party relationship with whom transactions have taken place during the year

A) Subsidiary Company NA

B) Key Management Personnel

Mrs. Sneha Sadhwani - Non-Executive - Non-Independent Director
 Mr. Rajesh Mirchumal Sadhwani Non-Executive Non Independent Director
 Mrs. Amisha Dani - Independent Director (Resigned from 04.10.2022)
 Mr. Sohan Chaturvedi - CFO (Appointed from 01.11.2022)
 Mr. Ulhas Narayan Deosthale - CFO (Resigned from 01.11.2022)
 Mr. Ulhas Narayan Deosthale - Whole Time Director
 Ms. Heta Deepak Shah - Company Secretary & Compliance Officer (Appointed from 07.10.2022)
 Ms. Snehal Ansodariya - Company Secretary & Compliance Officer (Resigned from 15.09.2022)
 Mr. Sachin Aphandar- Independent Director (Appointed from 01.11.2022)
 Mr.Siddesh Shankar Shinde-Independent Director (Appointed from 04.07.2022)
 Mr.Mayur Bhatt-Independent Director (Appointed from 01.11.2022)

C) Enterprises owned or Significantly influenced by Key Management Personnel or their Relatives :- Nil

	FY 2022-23	FY 2021-22
Nature of Transactions During the year	Transactions with KMP	Transactions with KMP
Salary	19.79	8.45
Interest on Unsecured Loans	5.10	-
Reimbursement	2.50	-
Salary Payable	2.46	0.85
Borrowings during the year	304.00	-
Outstanding Borrowings as on year end	308.20	-

Note No. 28

Previous Year Figures Regrouped

Figures for the previous periods have been regrouped / reclassified wherever considered necessary.

Note No. 29

The Company has renegotiated the terms for the loans given by the company and the company having outstanding loan of Rs.62.92 Lacs before ECL and the company has made ECI provision Rs. 10.49 Lacs in this respect included under the head 'Other Expenses' year end 31.3.2023.

Note No. 30

Loans or advances granted to promoters, directors, KMPs and related parties

The Company has not given any loans or advances in the nature of loans to its promoters, directors, KMPs and related parties, hence no reporting is required as per revised schedule III of Companies Act 2013.

Note No. 31

Immovable Property

There is no immovable Property held in the name of Company

Note No. 32

Revaluation of Property , Plant & Equipment

During the year there is no revaluation of Propert, Plant & Equipment.



Note No. 33

Capital-Work-in Progress (CWIP)

There is no capital work in progress in the company as on balance sheet date.

Note No. 34

Intangible assets under development

There is no Intangible assets under development in the company as on balance sheet date.

Note No. 35

Detail of Benami Property held

No proceedings have been initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and the Rules made thereunder.

Note No. 36

Security of current assets against borrowings

The Company has been sanctioned overdraft credit facility during the year against term deposit with the bank and there is no such requirements for submission of Quarterly Returns/statements for security against such Bank Overdraft.

Note No. 37

Wilful Defaulter

The Company is not declared wilful defaulter by any bank or financial institution or other lender at any time during the financial year or after the end of reporting period but before the date when financial statements are approved or in an earlier period.

Note No. 38

Relationship with Struck off companies

Company did not have any transactions with companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956.

Note No. 39

Registration of charges or satisfaction with Registrar of Companies

There is no charges or satisfaction yet to be registered with Registrar of Companies by the company during the financial year.

Note No. 40

Compliance with number of layers of companies

The company is not required to comply with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

Note No. 41

Compliance with approved Scheme(s) of Arrangements

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the financial year.

Note No. 42

Utilisation of Borrowed fund and share premium

Neither the company has advanced or loaned or invested funds to Intermediaries nor received any fund from any Funding Party during the financial year with the understanding that the Intermediary or company shall -

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries)
- b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Note No. 43

Undisclosed Income

The company has no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), unless there is immunity for disclosure under any scheme.

Note No. 44**Details of Crypto Currency or Virtual Currency**

The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

Note No. 45

The financial statements for the year ended 31st March 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 26th May 2023.

Note No. 46**Analytical Ratio**

The company shall explain the financial statement line items included in numerator and denominator for computing the following ratios:-

Particulars	As on 31.03.2023	As on 31.03.2022	% Variance	Reason of Variance if more than 25%
Current Ratio	11.96	2.93	307.90	Due to Trade Payables have reduced from previous year.
Debt- Equity Ratio*	0.20	Not Applicable	-	-
Debt Service Coverage Ratio*	0.11	Not Applicable	-	-
Return on Equity Ratio	0.07	(0.01)	(702.09)	Due to Increase in profit.
Inventory turnover ratio	2.61	3.11	(16.13)	-
Trade receivables turnover ratio	4.16	3.81	9.20	Due to Decrease in Turnover
Trade payables turnover ratio	6.11	3.86	58.24	Due to Trade Payables have reduced from previous year.
Net capital turnover ratio	1.59	2.25	(29.32)	Working Capital of the company increase because of short tem Fixed Deposit created by the company during the current year.
Net profit ratio	0.04	(0.01)	(675.27)	Due to reduced in loss from Trading in securities sector.
Return on Capital employed	0.02	(0.03)	(144.45)	Due to increase in EBIT
Return on investment	(0.68)	(0.99)	(30.99)	Due to Liquidation of investments.

*** The below Formula for calculating the above ratios**

Current Ratio	Current Assets / Current Liabilities
Debt Equity Ratio	Total Debt/ Shareholders Equity
Debt Service Coverage Ratio	Earnings available for Debt Service / Total Debt
Return on Equity Ratio	Net Profit - Preferred Dividend/ Average Shareholders Equity
Inventory Turnover Ratio	Net Sales/ Average Inventory
Trade Receivables Turnover Ratio	Net Credit Sales/ Average Trade Receivables
Trade Payables Turnover Ratio	Net Credit Purchase/ Average Trade Payables
Net Capital Turnover Ratio	Turnover/Working Capital
Net Profit Ratio	Net Profit After Tax / Turnover
Return on Capital Employed	EBIT/Capital Employed
EBIT	Profit before exceptional items and Tax+Finance Cost- Other Income
Return on Investment	Change in Fair value of Quoted Investments/ (Average of Investments*Holding period)
Average Inventory	(Beginning Inventory + Ending inventory)/2
Average Trade Receivables	(Beginning Trade Receivables + Ending Trade Receivables)/2
Average Trade Payables	(Beginning Trade Payables + Ending Payables)/2
Debt	Total Payment Obligations
Equity	Capital Employed
Capital Employed	Tangible Net Worth+Total Debt+Deferred Tax Liability

* Co having borrowing in FY 22-23 and hence variance is not calculated for previous year.



Note No. 47**Disclosure as per Ind AS 107 'Financial instrument disclosure'****A) Capital Risk Management**

For the purpose of the company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the company's capital management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022

B) Financial risk management**Financial risk management**

The Company's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Company's financial risk management is set by the Managing Board of Directors.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as investment price risk and commodity risk.

Financial instruments affected by market risk include loans and borrowings,

Market price risk

The Company is exposed to market price risk, which arises from securities held as inventories classified at FVTPL. The management monitors the proportion of these securities in its trading portfolio based on market indices. Material securities within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

Equity Price Sensitivity analysis:

The fair value of equity instruments as at March 31, 2023 and March 31, 2022 Rs.95.35 Lakhs and Rs. 245 Lakhs respectively. A 50% and

10% change in price of these quoted equity instruments held as at March 31, 2023 and March 31, 2022 would result in:

(Amount in Lakhs)

% of Change	Profit / (loss)	
	March 31, 2023	March 31, 2022
50% (10%) Increase in quoted prices	47.68	24.50
50% (10%) Decrease in quoted prices	(47.68)	(24.50)

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

ECL DISCLOSURE

Movements in the Expected Credit Loss in respect of loans are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
	ECL	ECL
Opening Balance	-	-
ECL Provisions	10.49	-
Net re-measurement of loss allowance	-	-
Additional provision	-	-
Closing Balance	10.49	F35 -



Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

Risk Management framework

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the risk management committee under policies approved by the board of directors. The risk management committee identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Note No. 48

Contingent liabilities and commitments

There are no contingent Liabilities and commitments as on 31.03.2023 and 31.03.2022

For Abhishek S Tiwari & Associates

Chartered Accountants

Firm number: 141048W



Partner: Abhishek Tiwari

Membership No. 155947

Place: Mumbai

Date :26.05.2023

UDIN : 23155947BGSTQQ9157

For and on behalf of the Board

GENPHARMASEC LIMITED

(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)

Rajesh Sadhwani
(Non- Executive Director)

DIN :08315182

Ulhas N. Deosthale

Director

DIN:09215291

Sohan Chaturvedi

(CFO)

DIN : 09629728

Heta Deepak Shah
Company Secretary

M. No. : A69749



GENPHARMASEC LIMITED
(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)
CIN No. L24231MH1992PLC323914

Registered Office:-104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd.Akurli Road Kandivali East Mumbai 400101
Statement of Standalone Unaudited Financial Results for the Quarter Ended on 30th June,2023

(Rs. In Lakhs)

Particulars	Quarter Ended			Year Ended
	30-06-2023	31-03-2023	30-06-2022	31-03-2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1 Revenue from Operations	596.40	621.65	687.62	2,551.57
2 Other Income	11.19	5.80	2.35	10.01
3 Total Revenue (1 + 2)	607.59	627.44	689.97	2,561.58
4 Expenses				
Purchase of stock-in-trade	615.96	630.14	553.61	2,318.40
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(173.21)	(99.26)	108.04	21.34
Employee benefits expense	19.79	16.89	8.60	53.67
Depreciation and amortisation expense	0.70	0.60	0.42	1.97
Finance Cost	6.29	5.60	-	5.60
Other expenses	131.60	53.23	40.65	132.45
Total expenses	601.13	607.21	711.32	2,533.42
5 Profit/(Loss) Before Exceptional item and Tax (3-4)	6.46	20.24	(21.35)	28.16
6 Exceptional items	-	-	-	-
7 Profit/(Loss) Before Tax (5-6)	6.46	20.24	(21.35)	28.16
8 Tax expense				
(1) Current Tax	-	-	-	-
(2) Deferred Tax	(3.84)	84.32	-	84.32
(3) Prior period Tax	-	-	-	-
9 Profit / (Loss) from continuing operations (7 - 8)	2.61	104.56	(21.35)	112.48
10 Profit / (Loss) from discontinuing operations	-	-	-	-
11 Tax expense of discontinuing operations	-	-	-	-
12 Profit/(loss) from Discontinuing operations (after tax)	-	-	-	-
13 Profit/(Loss) for the period (9+12)	2.61	104.56	(21.35)	112.48
14 Other Comprehensive income;				
A (i) Items that will not be reclassified to profit or loss	78.33	(14.32)	(41.64)	(116.40)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
B (i) Items that will be reclassified to profit or loss	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Total Comprehensive Income for the period (13+14) (Comprising profit/ (loss) and other Comprehensive Income for the period	80.94	90.24	(62.99)	(3.92)
15 Paid-up Equity Share Capital (Face value of equity share is Rs.1/- each)	2,768.60	2,768.60	2,768.60	2,768.60
17 Other Equity				(1,235.56)
18 Earnings per equity share (for discontinued & continuing operations) of face value of Rs. 10 each				
(a) Basic	0.00	0.04	(0.01)	0.04
(b) Diluted	0.00	0.04	(0.01)	0.04



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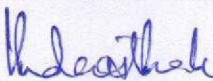
Notes:

- 1 The Financial result were reviewed by the Audit Committee and approved by the Board Of directors in their meeting on 11th August, 2023.
- 2 The above result have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), prescribed under section 133 of the Companies Act 2013, and other recognized accounting practices and policies to the extent applicable.
- 3 The Financial results for the quarter ended on 30th June, 2023 have been subjected to a "Limited Review" by the statutory auditors of the Company. The Limited review report does not contain any qualification. The Limited review report will be filed with the stock Exchange and will also be available on Company's website www.genpharmasec.com.
- 4 Segment Reporting has been annexed in Annexure 1.
- 5 The certificate of CFO in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the above results has been placed before the Board of Directors.
- 6 The company has outstanding loan of Rs. 41.96 Lacs as on 30.06.23, which will be expected to be recovered on or before 30th September, 2023. The Company has made ECI provision Rs. 10.49 Lacs in this respect included under the head 'Other Expenses' for the quarter ended 30.06.2023.
- 7 The results for the quarter ended 31st March, 2023 are the balancing figure between audited figures in respect of the full financial year ended March 31, 2023 and the published year-to-date figures upto the third quarter ended 31st December, 2022 which was subject to limited review.
- 8 The Name of the company has been changed from Generic Pharmasec Limited to Genpharmasec Limited w.e.f 25th October, 2021.
- 9 The Company is opting for alternative tax regime section of 115BAA of Income Tax Act, 1961 from FY 2022-23 onwards for filing of Income Tax Return . Hence, MAT credit of Rs.26.87 Lacs has been lapsed.
- 10 The Company has recognised the Deferred Tax Assets of Rs. 80.20 Lacs on Carried forward Loss of Rs.350.53 Lacs as per income tax records on the bases of management estimate of virtual certainty of Profit in future.
- 11 The company has incorporated a subsidiary namely, M/s Genpharmasec Middle East DMCC in Dubai vide Certificate of Incorporation No. DMCC197026 and obtained a Trading License No. DMCC - 887983 dated 13th July 2023 for trading of medical Surgical Equipment, Instruments, Articles, Medical Gas and Food Supplements. The company stake is 52% in the said subsidiary. In view of pending formalities for opening the bank account, the company is yet to transfer the subscription amount.
- 12 The Company has increased the Authorized Equity Share Capital upto Rs. 5,600 Lacs vide EGM held on June 2, 2023. The filling of e-form SH-7 in respect of such increase in authorised equity share capital is still under process.



PLACE : MUMBAI
Date :11.08.2023

For and on behalf of the Board of
Genpharmasec Limited
(Formerly known as Generic Pharmasec Ltd)


(Ulhas Narayan Deosthale)
Director
DIN:09215291

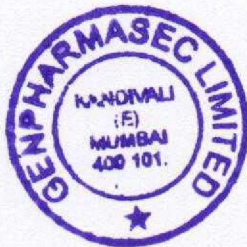
GENPHARMASEC LIMITED
(FORMERLY KNOWN AS GENERIC PHARMASEC LIMITED)
CIN No. L24231MH1992PLC323914

Registered Office: 104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd. Akurli Road Kandivali East Mumbai 400101
"ANNEXURE - I"

Statement of Segment-wise Revenue, Results, Assets and Liabilities for the Quarter Ended 30th June, 2023

Particulars	Quarter Ended			(Rs. In Lakhs)
				Year Ended
	30-06-2023 (Unaudited)	31-03-2023 (Audited)	30-06-2022 (Unaudited)	31-03-2023 (Audited)
Segment Revenue				
Pharmaceuticals	596.40	621.65	664.39	2,528.34
Trading in Securities	-	-	23.23	23.23
Total Revenue	596.40	621.65	687.62	2,551.57
Segment Results (Profit before tax and interest)				
Pharmaceuticals				
Trading in Securities	(2.69)	58.00	37.69	195.80
	58.22	(8.30)	(41.42)	(94.53)
Total	55.52	49.71	(3.73)	101.27
Less				
(i) Unallocated Finance Cost	-	-	-	-
(ii) Other unallocable expenditure net of unallocable income	49.07	(29.47)	17.62	(73.11)
(iii) Inter Segment Eliminations	-	-	-	-
Profit Before Tax	6.46	20.24	(21.35)	28.16
Segment Assets				
Pharmaceuticals				
Trading in Securities	1,401.27	1,483.52	1,263.42	1,483.52
Un-Allocated	129.15	70.93	124.01	70.93
	716.72	433.08	486.08	433.08
Total	2,247.13	1,987.53	1,873.52	1,987.54
Segment Liabilities				
Pharmaceuticals				
Trading in Securities	180.21	137.72	390.34	137.72
Un-Allocated	-	-	-	-
	2,066.92	1,849.81	1,483.18	1,849.81
Total	2,247.13	1,987.53	1,873.52	1,987.54

The company has reported segment information as per the Indian Accounting Standard 108 "Operating Segments" (IND AS 108).



For and on behalf of the Board of
Genpharmasec Limited
(Formerly known as Generic Pharmasec Ltd)

(Signature)
(Ulhas Narayan Deosthale)
Director
DIN:09215291

PLACE : MUMBAI
Date :11.08.2023



Abhishek S Tiwari & Associates

CHARTERED ACCOUNTANTS

Office: 201, Mukund Palace, New Golden Nest Road, Bhayander (East), Dist – Thane, Maharashtra- 401105

Mob 9029326651, Email: caabhishek2012@gmail.com

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
Board of Directors of
GENPHARMASEC LIMITED
(Formerly known as 'Generic Pharmasec Limited')

We have reviewed the accompanying statement of unaudited financial results of **GENPHARMASEC LIMITED** (Formerly known as 'Generic Pharmasec Limited') for the quarter ended 30th June, 2023 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of Companies (Indian Accounting Standards) Rule, 2015, as amended and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Indian accounting Standards ('Ind AS') prescribed under s.133 of the Companies Act, 2013 read with relevant rules issued there under and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Abhishek S Tiwari & Associates



Firm Reg.No.141048W

Abhishek Tiwari

Partner

M.No.155947

Place of signature: Mumbai

Date: 11th August, 2023

UDIN: 23155947BGSTSL2711

**GENPHARMASEC LIMITED**

(CIN- L24231MH1992PLC323914)

STATEMENT OF ACCOUNTING RATIOS**Accounting Ratios**

The following table presents certain accounting and other ratios derived from our Audited Financial Statements and Unaudited financial results for the quarter ended 30th June, 2023 included in the section titled “Financial Information” beginning on page 102 of this Draft Letter of Offer.

Accounting Ratios (Standalone)

Particulars	Amount in Rs. Lakhs	
	Period ended March 31, 2023	Period ended June 30, 2023
Earnings Per Share		
(a) Basic Earnings Per Share (after extraordinary items) (in Rs.)	0.04	0.00
(b) Diluted Earnings Per Share (after extraordinary items) (In Rs.)	0.04	0.00
Return on Net Worth (after extraordinary items and excluding Revaluation reserves) (%)	3.76%	0.09%
Net Asset Value / Book Value per Equity Share each	1.08	1.08
Face Value per Equity Share	1.00	1.00
EBITDA (Rs. in Lakhs)	35.73	13.45

Capitalization Statement

The statement on our capitalisation is as set out below:

Capitalization statement

Particulars	(Rs. in Lakhs)	
	As at March 31, 2023 (Pre-Issue)	As adjusted for proposed Issue
Borrowings		
Current Borrowings	60.08	-
Non-Current Borrowings (including current maturity)	248.12	-
Total borrowings (A)	308.20	-
Total Equity		
Share capital	2,768.60	-
Reserves and surplus*	222.07	-
Total Equity (B)	2,990.67	-
Non-current Borrowings / Total Equity ratio	0.08	-
Total borrowings / Total Equity ratio (A/B)	0.10	-

*Excluding other Comprehensive Income.



GENPHARMASEC LIMITED
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MARKET PRICE INFORMATION

The Equity Shares of our Company are listed on the BSE. As our Equity Shares are listed only on the BSE, stock market data for our Equity Shares has been given for BSE.

For the purpose of this section:

- Year is a Financial Year;
- Average price is the average of the daily closing prices of the Equity Shares, for the year, or the month, or the week, as the case may be;
- High price is the maximum of the daily high prices and Low price is the minimum of the daily low prices of the Equity Shares, for the year, or the month, as the case may be; and
- In case of two days with the same high/low/closing price, the date with higher volume has been considered.

Yearly Stock Market Quotation at BSE

The high, low prices and average of closing prices recorded on the BSE for the preceding three Financial Years and the number of Equity Shares traded on the days the high and low prices were recorded are stated below:

Year ended on March 31	High (in Rs)	Date of High	No. of Shares traded on date of high	Low (in Rs)	Date of Low	No. of Shares traded on date of low	Average price for the year (in Rs.)
2023	6.53	06 th April, 2022	7,78,119	2.77	29 th March, 2023	4,95,072	4.53
2022	11.26	30 th July, 2021	77,33,551	5.24	29 th December, 2021	19,98,791	7.85
2021	15.85	19 th May, 2020	84,299	8.01	31 st March, 2021	83,725	11.35

(Source: www.bseindia.com)

Monthly Stock Market Quotation at BSE

The high and low prices and volume of the Equity Shares traded on the respective dates during the last six months is as follows:

Month	High (in Rs.)	Date of High	No. of Shares traded on date of high	Low (in Rs.)	Date of Low	No. of Shares traded on date of low	Average price for the Month (in Rs.)	Total No of Trading Days
September, 2023	4.44	18 th September, 2023	1541517	3.54	1 st September, 2023	787556	3.99	20

**GENPHARMASEC LIMITED**

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Month	High (in Rs.)	Date of High	No. of Shares traded on date of high	Low (in Rs.)	Date of Low	No. of Shares traded on date of low	Average price for the Month (in Rs.)	Total No of Trading Days
August, 2023	3.79	17 th August, 2023	803905	3.03	22 nd August, 2023	420028	3.41	22
July, 2023	3.65	3 rd July, 2023	517167	2.81	28 th July, 2023	465713	3.34	21
June, 2023	4.18	6 th June, 2023	1957872	3.10	1 st June, 2023	298396	3.66	21
May, 2023	3.41	4 th May, 2023	139875	3.01	18 th May, 2023	368313	3.21	22
April, 2023	3.60	06 th April, 2023	2,29,733	3.07	24 th April, 2023	1,40,621	3.29	17

(Source: www.bseindia.com). In case where closing price is same the No. of shares traded higher on that day is taken.

Weekly Stock Market Quotation at BSE

Week end closing prices of the Equity Shares for the last four weeks on the BSE are as below:

Week Ended on	Closing Price (In Rs.)	High (in Rs.)	Date of High	Low (in Rs.)	Date of Low
20 th October, 2023	3.97	4.17	16 th October, 2023	3.95	20 th October, 2023
13 th October, 2023	4.08	4.17	13 th October, 2023	3.83	9 th October, 2023
6 th October, 2023	3.93	4.04	3 rd October, 2023	3.85	5 th October, 2023
29 th September, 2023	3.97	4.20	29 th September, 2023	3.86	25 th September, 2023

(Source: www.bseindia.com).

The closing price of the Equity Shares as on 20th October, 2023 was Rs. 3.97 on the BSE, the trading day immediately preceding the day on which Board of Directors approved the Issue.



GENPHARMASEC LIMITED

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with the "Financial Statements" beginning on page 102.

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 also read "Risk Factors" and "Forward Looking Statements" beginning on pages 31 and 24, respectively, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.

Our financial statements included in this Draft Letter of Offer are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards such as IFRS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. For further information, see "Financial Statements" beginning on page 102.

Neither we, nor any of our affiliates or advisors, nor any other person connected with the Issue has independently verified such information. For further information, see "Presentation of Financial and other Information" beginning on page 22 of this Draft Letter of Offer.

Business overview

Our Company was originally incorporated as "Adi Rasayan Limited" a private limited company vide a Certificate of Incorporation dated 16th November, 1992, issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli under the provisions of the Companies Act, 1956. Subsequently, the name of our Company was changed to "Generic Pharmasec Limited" and a fresh certificate of incorporation dated 27th November, 2018 consequent upon change of name was issued by the Registrar of Companies, Ahmedabad. Thereafter, the name of our Company was further changed to "Genpharmasec Limited" and a fresh certificate of incorporation dated 25th October, 2021 consequent upon change of name was issued by the Registrar of Companies, Mumbai.

Equity Shares of our Company is listed at BSE Limited.

Our Current promoters namely, Mrs. Sneha Sadhwani and Mr. Rajesh Sadhwani acquired the company from existing promoters during the financial year 2018-19.

Our Company is engaged in the distribution of lucrative medical and diagnostics device segment. Our Company believes in providing best and new technology based medical and diagnostics device.

For further details, refer chapter titled "Our Business" on page 88.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

To the knowledge of our Company and except as disclosed herein, since the date of the last financial statements contained in this Draft Letter of Offer, no other circumstances have arisen which would materially and adversely affect or which would be likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 (twelve) months Except the following:



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- Company has incorporated a Wholly owned subsidiary Company namely, Genpharmasec Middle East DMCC;
- Entered into a Share purchase agreement to acquire the stake of Derren Healthcare Private Limited and entered into a share Subscription cum shareholders agreement to regulate the rights & obligations of the shareholders.

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 31 of this Draft Letter of offer. Our results of operations and financial conditions are affected by numerous factors including the following:

- Our success depends on the value, perception and quality of our product;
- Branding and marketing;
- General economic and business conditions;
- Company's inability to successfully implement its growth and expansion plans;
- Increasing competition in the Industry;
- Changes in technology;
- Any change in the laws and regulations to Industry in which we operate;

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer chapter titled "Financial Statements" on page 102 of this Draft Letter of Offer.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in chapter titled "Financial Statements" on page 102, There has been no change in accounting policies for the period which has been included in this Draft Letter of Offer.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

For details, please refer chapter titled "Financial Statements" on page 102 of this Draft Letter of Offer.

SUMMARY OF OPERATIONS

The following discussion on result of operations should be read in conjunction with the Unaudited Standalone financial statements of our Company for the quarter ended on June 30, 2023 and the financial year ended March 31, 2023 and March 31, 2022.

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's Audited financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue:

(Rs. In Lakhs)			
Particulars	30.06.2023	31.03.2023	31.03.2022
Income:-			
Revenue from Operations	596.40	2,551.57	2,732.05



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Particulars	30.06.2023	31.03.2023	31.03.2022
<i>As a % of Total Revenue</i>	98.16%	99.61%	99.66%
Other Income	11.19	10.01	9.26
<i>As a % of Total Revenue</i>	1.84%	0.39%	0.34%
Total Revenue (A)	607.59	2,561.58	2,741.31
Growth %			
Expenditure:-			
Purchases	615.96	2,318.40	2,877.33
<i>As a % of Total Revenue</i>	101.38%	90.51%	104.96%
Change in Inventory	-173.21	21.34	-220.81
Employees Benefit Expenses	19.79	53.67	25.45
<i>As a % of Total Revenue</i>	3.26%	2.10%	0.93%
Finance Cost	6.29	5.6	0
<i>As a % of Total Revenue</i>	1.04%	0.22%	0.00%
Depreciation and Amortization Expense	0.7	1.97	1.42
<i>As a % of Total Revenue</i>	0.12%	0.08%	0.05%
Other Expenses	131.6	132.45	102.21
<i>As a % of Total Revenue</i>	21.66%	5.17%	3.73%
Total Expenses (B)	601.13	2,533.43	2,785.60
<i>As a % of Total Revenue</i>	98.94%	98.90%	101.62%
Profit before extraordinary items and tax	6.46	28.16	-44.29
<i>As a % of Total Revenue</i>	1.06%	1.10%	-1.62%
Extraordinary Items	0	0	0
Profit before Tax	6.46	28.16	-44.29
PBT Margin	1.06%	1.10%	-1.62%
Tax Expense:			
i. Current Tax	0	0	0
ii. Short / (Excess) provision	0	0	23.39
iii. Deferred Tax	-3.84	84.32	-0.02
Profit for the year/period	2.61	112.48	-20.92
PAT Margin %	0.43%	4.39%	-0.76%

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2023 WITH FINANCIAL YEAR ENDED MARCH 31, 2022

INCOME

Income from Operations

(Rs. In Lakhs)

Particulars	2022-23	2021-22	Variance In %
Revenue from Operations	2,551.57	2,732.05	-6.61%

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The operating income of the Company for the year ending March 31, 2023 and March 31, 2022 is Rs. 2,551.57 lakhs and Rs. 2,732.05 Lakhs respectively, there is small decrease in revenue from operations which is due to decrease in volume of operations.

Other Income

Our other income increased from Rs. 9.26 Lakhs to Rs. 10.01 Lakhs. This was primarily due to Increase in Interest Income and other non operational income etc.

Employee Benefit Expenses

(Rs. In Lakhs)

Particulars	2022-23	2021-22	Variance In %
Employee Benefit Expenses	53.67	25.45	110.88%

There is 100.88% increase in employee benefit expenses from Rs. 25.45 Lakhs in financial year 2021-22 to Rs. 53.67 Lakhs in financial year 2022-23 which is due to increase in staff and salary & wages.

Finance Cost

Finance Cost for the Financial Year 2022-2023 have increased to Rs. 5.60 Lakhs as compared to Nil cost for the Financial Year 2021-2022. The increase in Finance Cost was majorly due to increase in Borrowings.

Depreciation

Depreciation expenses for the Financial Year 2022-2023 have increased to Rs. 1.97 Lakhs as compared to Rs. 1.42 Lakhs depreciation for the Financial Year 2021-2022. The increase in depreciation was majorly due to Increase in value of tangible assets.

Profit Before Tax

(Rs. In Lakhs)

Particulars	2022-23	2021-22	Variance In %
Profit Before Tax	28.16	-44.29	163.57%

Profit before tax increased by 163.57% from loss of Rs. 44.29 Lakhs in financial year 2021-22 to Rs. 28.16 Lakhs in financial year 2022-23.

Provision for Tax and Net Profit

(Rs. In Lakhs)

Particulars	2022-23	2021-22	Variance In %
Profit After Tax	112.48	-20.92	637.64%

Our profit after tax increased by 637.64% from loss of Rs. 20.92 Lakhs in financial year 2021-22 to Rs. 112.48 Lakhs in financial year 2022-23. This increment was in line with increase in sales of high margin products and Deferred Tax.



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Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in the chapter titled *"Risk Factors"* beginning on pages 31 of this Draft Letter of Offer, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Draft Letter of Offer, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

Significant economic/regulatory changes

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income except as mentioned in the chapter titled *"Risk Factors"* on page 31 of this Draft Letter of Offer.

Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Other than as described in the chapter titled *"Risk Factors"* and chapter titled *"Management's Discussion and Analysis of Financial Conditions and Results of Operations"* beginning on pages 31 and 106, respectively, and elsewhere in this Draft Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

The extent to which material increases in net sales or revenue are due to increased sales volume or increased sales prices

Increase in revenues is by and large linked to increase in sale of our services.

Competitive Conditions

We expect competition in the sector from existing and potential competitors to intensify. However, on account of cost reduction and cost control, consistently delivering quality services, we are able to stay competitive. For further details, kindly refer the chapter titled *"Our Business"* beginning on page 88 of this Draft Letter of Offer.



SECTION VII - LEGAL AND OTHER INFORMATION**OUTSTANDING LITIGATIONS AND OTHER DEFAULTS**

*Our Company is subject to various legal proceedings from time to time, primarily arising in the ordinary course of business. There is no outstanding litigation which has been considered material in accordance with our Company's 'Policy for Determination of Materiality', framed in accordance with Regulation 30 of the SEBI Listing Regulations, and accordingly, there is no such outstanding litigation involving our Company that requires disclosure in this Draft Letter of Offer. However, solely for the purpose of the Issue, the following outstanding litigations have been disclosed in this section of this Draft Letter of Offer, to the extent applicable: any outstanding civil litigation, including tax litigation, involving our Company, where the amount involved is where the amount involved is 20% of Turnover or Net Worth of the Company for the immediately preceding financial year ("**Materiality Threshold**") or above.*

Except as disclosed below, there are no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position.

Pre-litigation notices received by our Company from third-parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) shall not be evaluated for materiality until such time our Company are impleaded as defendants in litigation proceedings before any judicial forum.

LITIGATIONS INVOLVING OUR COMPANY**Litigations Against our Company****Criminal proceeding against our Company**

Nil

Action and Proceeding initiated by Statutory / Regulatory Authority including economic offences against our Company

Nil

Other Proceeding against our Company including matters which are considered material as per Materiality Policy

Nil

Litigations by our Company**Criminal proceeding by our Company**

Nil



LITIGATIONS INVOLVING SUBSIDIARY COMPANIES

Litigations against Subsidiary Companies

Criminal proceeding against our Subsidiary Companies

Nil

Action and Proceeding initiated by Statutory/Regulatory Authority against of our Subsidiary Companies

Nil

Other Proceeding against our Subsidiary Companies

Nil

Litigations by Subsidiary Companies

Criminal proceeding by our Subsidiary Companies

Nil

Other Proceeding by our Subsidiary Companies

Nil

Revenue Matters:

Nil

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

Neither our Company, our Promoters, our Directors are or have been classified as a willful defaulter or fraudulent borrower by a bank or financial institution or a consortium thereof in accordance with the guidelines on willful defaulters or fraudulent borrower issued by RBI.

AMOUNT DUE TO MSME

There are no pending dues to MSME supplier for more than 45 (Forty Five) days as on 31st March, 2023.



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GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company requires various consents, licenses, permissions and approvals from various central and state authorities under various rules and regulations for carrying on its present business activities. We have received the necessary consents, licenses, permissions and approvals from the Government of India and various governmental agencies required for our present business and to undertake the Issue. Such consents, licenses, permissions and approvals may be required to be renewed periodically and applications for the same are made at the appropriate stage.

Since, our Company intends to utilize the proceeds of the Issue to meet the incremental working capital requirement, no government and regulatory approval pertaining to the Object of the Issue will be required.



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MATERIAL DEVELOPMENTS

There have not arisen, since the date of the last financial statements disclosed in this Draft Letter of Offer, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

For further details, please refer to the chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 106 of this Draft Letter of Offer.



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OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

This Issue has been authorized by the resolution passed by our Board at its meeting held on 5th June, 2023 pursuant to Section 62 (1) (a) of the Companies Act, 2013 and other applicable provisions. The Rights Issue Committee has approved the Record Date for the Issue at its meeting held on [●] and this Draft Letter of Offer at its meeting held on 23rd October, 2023.

Our Board, in its meeting held on [●], 2023 has resolved to issue the Equity Shares to the Eligible Equity Shareholders, at Rs. [●] per Equity Share aggregating up to Rs. [●] Lakhs. The Issue Price is Rs. [●] per Equity Share has been arrived at by our Company prior to determination of the Record Date.

Our Company has received in-principle approval from BSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Equity Shares to be Allotted in this Issue pursuant to their respective letters each dated [●]. Our Company will also make application to BSE to obtain its trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see "*Terms of the Issue*" beginning on page 123 of this Draft Letter of Offer.

Prohibition by SEBI

Our Company, our Promoter, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Draft Letter of Offer.

Further, our Promoter and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None our Directors or Promoter is associated with the securities market in any manner. Further, there is no outstanding action initiated against any of our Directors or Promoters by SEBI in the five years preceding the date of filing of this Draft Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

Prohibition by RBI

Neither our Company, nor our Promoter, and Directors have been categorized or identified as wilful defaulters or fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Eligibility for this Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity



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Shares are presently listed on the BSE. Our Company is eligible to offer Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made application to the Stock Exchange and has received its in-principle approval for listing of the Equity Shares to be issued pursuant to this Issue. BSE is the Designated Stock Exchange for the Issue.

Compliance with Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this Draft Letter of Offer with the Designated Stock Exchange;
2. The reports, statements and information referred to above are available on the websites of BSE; and
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Draft Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

Disclaimer Clause of SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is up to Rs. 4,900.00 lakhs. The present Issue being of less than Rs. 5,000 lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI i.e. www.sebi.gov.in.

Disclaimer from our Company, our Director(s)

Our Company accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at their own risk.



Investors who invest in the Issue will be deemed to have represented to our Company and its officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

Caution

Our Company shall make all relevant information available to the Eligible Equity Shareholders in accordance with SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Equity Shares and rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

Disclaimer with respect to jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Hyderabad, Telangana, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue is BSE.

Listing

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Disclaimer Clause of BSE

As required, a copy of this Draft Letter of Offer has been submitted to the BSE. The Disclaimer Clause as intimated by BSE to us, post scrutiny of this Draft Letter of Offer is set out below:

"BSE Limited ("the Exchange") has given, vide its letter dated [●] permission to this Company to use the Exchange's name in this Draft Letter of Offer as one of the stock exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinized this Draft Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; or



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- Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this Draft Letter of Offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Draft Letter of Offer, Letter of Offer/Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Draft Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among



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others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Consents

Consents in writing of our Directors, the Registrar to the Issue, Expert and the Bankers to the Issue/ Refund Bank to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

Expert Opinion

Our Company has not obtained any expert opinions.

Performance vis-à-vis objects – Public/Rights Issue of our Company

Our Company has not made any rights issues/Public issues in last five years. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the Stock Exchange and not with SEBI. However,



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the Draft Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre Issue or post Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "*Terms of the Issue*" beginning on page 123. The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:

Investor Grievances arising out of this Issue

Investors may contact the Registrar to the Issue at:

Registrar to the Issue

Satellite Corporate Services Private Limited

Office no. 106 & 107, Dattani Plaza, East West Compound,
Andheri Kurla Road, Sakinaka, Mumbai, Maharashtra-400072

Tel No.: 022 - 28520461 / 28520462

Website: www.satellitecorporate.com

E-mail ID: services@satellitecorporate.com, info@satellitecorporate.com

Contact Person: Mr. Michael Monteiro

SEBI Registration No: INR000003639

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue/post- Issue related matter such as non-receipt of letter of Allotment, credit of Rights Equity Shares, refund and such other matters. The contact details of the Compliance Officer are as follows:



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Company Secretary and Compliance Officer

Ms. Heta Deepak Shah

Office No. 104 & 105, Gundecha Industrial Premises Co-Operative Society Ltd.,
Akurli Road, Kandivali (East), Mumbai, Maharashtra-400101

Website: info@genpharmasec.com; compliance@genpharmasec.com

Tel: +91- 8655550242

Investors may contact the Company Secretary and Compliance Officer at the above-mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment / share certificates/ demat credit/ Refund Orders etc.

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

Our Company has not submitted any application to SEBI for exemption from complying with any provisions of Securities.

Status of Complaints

- i. Total number of complaints received during Fiscal 2020: Nil
- ii. Total number of complaints received during Fiscal 2021: Nil
- iii. Total number of complaints received during Fiscal 2022: Nil
- iv. Total number of complaints received during Fiscal 2023 (till date): Nil
- v. Time normally taken for disposal of various types of investor complaints: 15 days

- (a) Share transfer process: Within 15 days after receiving full set of documents
- (b) Share transmission process: Within 21 days after receiving full set of documents
- (c) Other Complaints: Within 15 days from the receipt of the complaint

Status of outstanding investor complaints

As on the date of the DLOF, there were Nil outstanding investor complaints.

Changes in Auditor during the last three years

There has been no change in the Auditors of the Company during the last three years.

Minimum Subscription

The objects of the Issue are meeting the Acquisition of Shares of Derren Healthcare Private Limited (DHPL) from existing shareholder(s); to repay the borrowings of our Company; to part finance the working capital requirement and General Corporate Purpose.

The Promoters and Promoter Group of our Company have, vide their letters dated 23rd October, 2023 ("Subscription Letters") indicated that they shall not subscribe, jointly and / or severally the full extent of their Rights Entitlement (including any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group of our Company) and shall renounce their right entitlement.

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Accordingly, in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirement of minimum subscription is applicable to the Issue.

The acquisition of Additional Rights Equity Shares by the Promoter and Promoter Group, if any, shall not result in change in control of the management of the Company and shall be in accordance with the provisions of the SEBI Takeover Regulations and shall not result in breach of the minimum public shareholding requirements stipulated under the SEBI Listing Regulations.



SECTION VIII - ISSUE INFORMATION**TERMS OF THE ISSUE**

This section is for the information of the Eligible Equity Shareholders proposing to apply in this Issue. The Eligible Equity Shareholders should carefully read the provisions contained in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. The Eligible Equity Shareholders are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Draft Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Right Issue Circulars, the Eligible Equity Shareholders proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Draft Letter of Offer.

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice.

DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Draft Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Draft Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Draft Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Shareholders can access this Draft Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable laws) on the websites of:

- (i) Our Company at info@genpharmasec.com; compliance@genpharmasec.com;
- (ii) The Registrar at www.satellitecorporate.com;
- (iii) The Stock Exchange at www.bseindia.com;

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., Satellite Corporate Services Private Limited at www.satellitecorporate.com)



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by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.*, info@genpharmasec.com; compliance@genpharmasec.com).

Please note that neither our Company nor the Registrar shall be responsible for non-dispatch of physical copies of Issue materials, including this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of this Draft Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer is being filed with the Stock Exchange. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Shareholders desiring to make an Application in this Issue are mandatorily



required to use the ASBA process. Shareholders should carefully read the provisions applicable to such Applications before making their Application through ASBA.

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, titled “Procedure for Application through the ASBA Process” on page 124.

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details refer “Grounds for Technical Rejection” 131. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, refer chapter titled “Application on Plain Paper under ASBA process”.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- a) apply for its Equity Shares to the full extent of its Rights Entitlements; or
- b) apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- c) apply for Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or



- d) apply for its Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares; or
- e) renounce its Rights Entitlements in full.

Making of an Application through the ASBA process

A Shareholders, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Shareholders desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Shareholders should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Do's for Shareholders applying through ASBA:

- a) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only.
- b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- c) Ensure that there are sufficient funds (equal to {number of Equity Shares (including additional Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.



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- d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don'ts for Shareholders applying through ASBA:

- a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- b) Do not send your physical Application to the Registrar, the Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- d) Do not submit Application Form using third party ASBA account.

Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchange. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- (a) Name of our Company, being Genpharmasec Limited;

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- (b) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
 - (c) Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
 - (d) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue
 - (e) Number of Equity Shares held as on Record Date;
 - (f) Allotment option – only dematerialised form;
 - (g) Number of Equity Shares entitled to;
 - (h) Number of Equity Shares applied for within the Rights Entitlements;
 - (i) Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
 - (j) Total number of Equity Shares applied for;
 - (k) Total amount paid at the rate of Rs. [●] per Equity Share;
 - (l) Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
 - (m) In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
 - (n) Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
 - (o) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
 - (p) All such Eligible Equity Shareholders are deemed to have accepted the following:

"I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for Shareholders in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/ We (i) am/ are, and the person, if any, for whose account I/ we am/ are acquiring such Rights Entitlement and/ or the Rights Equity Shares is/ are, outside the U.S., (ii) am/ are not a "U.S. Person" as defined in ("Regulations"), and (iii) is/ are acquiring the Rights Entitlement and/ or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulations.

I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements. "



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In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where a Shareholders submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Shareholders are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, and the Registrar not having any liability to the Shareholders. The plain paper Application format will be available on the website of the Registrar at www.satellitecorporate.com.

Our Company, and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Shareholders' ASBA Accounts on or before the Issue Closing Date.

Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The remaining procedure for Application shall be same as set out in "*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" mentioned above.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.



Application for Additional Equity Shares

Shareholders are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in "- Basis of Allotment" mentioned below.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Additional general instructions for Shareholders in relation to making of an application

- i) Please read this Draft Letter of offer carefully to understand the Application process and applicable settlement process.
- ii) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- iii) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" mentioned above.
- iv) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
- v) Applications should not be submitted to the Banker(s) to the Issue or Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar.
- vi) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Shareholders for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Equity Shares pursuant to this Issue shall be made into the accounts of such Shareholders.
- vii) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects. Shareholders applying under this Issue should note that on the basis of name of the Shareholders, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository.



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Therefore, Shareholders applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Shareholders including mailing of the letters intimating unblocking of bank account of the respective Shareholders and/or refund. The Demographic Details given by the Shareholders in the Application Form would not be used for any other purposes by the Registrar. Hence, Shareholders are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Shareholders as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not allotted to such Shareholders. Please note that any such delay shall be at the sole risk of the Shareholders and none of our Company, the SCSBs, Registrar shall be liable to compensate the Shareholders for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Shareholders (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**

- viii) By signing the Application Forms, Shareholders would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- ix) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Shareholders must sign the Application as per the specimen signature recorded with the SCSB.
- x) Shareholders should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Shareholders will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- xi) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- xii) All communication in connection with Application for the Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- xiii) Shareholders are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- xiv) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.



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- xv) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- xvi) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- xvii) Do not pay the Application Money in cash, by money order, pay order or postal order.
- xviii) Do not submit multiple Applications.
- xix) No investment under the FDI route (i.e any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.
- xx) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- i) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- ii) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- iii) Sending an Application to our Company, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB.
- iv) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- v) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- vi) Account holder not signing the Application or declaration mentioned therein.
- vii) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- viii) Multiple Application Forms, including cases where a Shareholders submits Application Forms along with a plain paper Application.
- ix) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- x) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- xi) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- xii) Application Forms which are not submitted by the Shareholders within the time periods prescribed in the Application Form and this Draft Letter of offer.



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- xiii) Physical Application Forms not duly signed by the sole or joint Shareholders, as applicable.
- xiv) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand s.
- xv) If a Shareholders is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Shareholders to subscribe to their Rights Entitlements.
- xvi) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
- xvii) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- xviii) Application from Shareholders that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

Applications by non-resident Shareholders.

- a. Payment from third party bank accounts.

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Shareholders and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see "- Procedure for Applications by Mutual Funds" mentioned below.

In cases where Multiple Application Forms are submitted, including cases where (a) a Shareholders submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected.

Procedure for Applications by certain categories of Shareholders

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its Shareholders group



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(which means multiple entities registered as foreign portfolio Shareholders and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or Shareholders group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or Shareholders group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the Shareholders will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iii) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

1. Such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
2. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre - approved by the FPI.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs



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that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("OCI") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, *inter alia*, that the total holding by any individual NRI or OCI will 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 will 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. 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.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporate in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Shareholders**"), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Shareholders will also require prior approval of the Government of India and each Shareholders should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Shareholders shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies ("NBFC-SI")

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.



Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], 2023, i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Draft Letter of offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in "*Basis of Allotment*" mentioned below.

Please note that on the Issue Closing Date, (Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Shareholders can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, may withdraw their Application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form to the Eligible Equity Shareholders upon submission of the Application.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Shareholders within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.



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CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, www.satellitecorporate.com) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.*, info@genpharmasec.com; compliance@genpharmasec.com).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (*i.e.* www.satellitecorporate.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.



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In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, "[●]") opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit or credit or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., by [●], 2023 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favor of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer.



Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the "**On Market Renunciation**"); or (b) through an off-market transfer (the "**Off Market Renunciation**"), during the Renunciation Period. The Shareholders should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Shareholders may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Shareholders who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Shareholders on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Shareholders.

On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from [●] to [●] (both days inclusive).

The Shareholders holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN [●] and indicating the details of the Rights Entitlements they intend to trade.

The Shareholders can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.



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The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat accounts of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Equity Shares in the Issue.

The Shareholders holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Shareholders can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Shareholders agree to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Shareholder's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Shareholders in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other



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than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Resident Shareholders

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Shareholders

As regards the Application by non-resident Shareholders, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares.

BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE

The Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity



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Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see "*The Issue*" beginning on mentioned above.

Fractional Entitlements

The Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of [●] ([●] ([●]) Equity Shares for every [●] ([●]) Equity Shares held as on the Record Date). As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. In terms of present ratio, there will be no fractional shares.

Ranking

The Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Equity Shares to be issued and Allotted under this Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

Listing and trading of the Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchange for final approvals for the listing and trading of the Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Equity Shares or the price at which the Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 531592) under the ISIN: INE861N01036. The Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.



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In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Subscription to this Issue by our Promoter and members of the Promoter Group

For details of the intent and extent of subscription by our Promoter and members of the Promoter Group, see "*Capital Structure - Intention and extent of participation by our Promoter*" mentioned above.

Rights of the Rights Equity Shareholder

Subject to applicable laws, the Rights Equity Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote in person or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation;
- The right to free transferability of Rights Equity Shares; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act and Memorandum of Association and Articles of Association.

General Terms of the Issue

Market Lot

The Equity Shares of our Company are tradable only in dematerialised form. The market lot for Rights Equity Shares in dematerialised mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.



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Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with the respective DPs of the Shareholders would prevail. Any Shareholders holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

Arrangements for Disposal of Odd Lots

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be One Equity Share and hence, no arrangements for disposal of odd lots are required.

Notices

In accordance with the SEBI ICDR Regulations and the SEBI Right Issue Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation and one **Marathi language national daily newspaper with wide circulation being the regional language of Maharashtra, where our Registered Office is situated.**

This Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Shareholders

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Equity Shares to non-resident Equity Shareholders including additional Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Shareholders has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval



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with the Application details and send it to the Registrar at Satellite Corporate Services Private Limited at www.satellitecorporate.com. It will be the sole responsibility of the Shareholders to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access this Letter Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, and the Stock Exchange. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Equity Shares are issued on rights basis.

In case of change of status of holders, *i.e.*, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of Shareholders and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Shareholders being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by mail at www.satellitecorporate.com.

ALLOTMENT OF THE EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE. FOR DETAILS, SEE "ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS" AS MENTIONED ABOVE

Issue Schedule

Last date for credit of Rights entitlements	[•]
Issue opening date	[•]
Last Date on Market Renunciation of Rights Entitlements #	[•]
Issue Closing Date*	[•]

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Finalisation Of Basis of Allotment (On or About)	[●]
Date Of Allotment (On or About)	[●]
Date Of Credit (On or About)	[●]
Date Of Listing (On or About)	[●]

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

* Our Board or the Rights Issue Committee, duly constituted and authorized by the Board of Directors in their meeting held on [●], thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●] .

Basis of Allotment

Subject to the provisions contained in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Equity Shares renounced in their favour, in full or in part.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Equity Share each if they apply for additional Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Equity Shares after allotment under (a) above. If number of Equity Shares required for Allotment under this head are more than the number of Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Equity Shares offered to them as part of this Issue, have also applied for additional Equity Shares. The Allotment of such additional Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Equity Shares will be on equitable basis giving due regard to the holdings as on the record date and will not be a preferential allotment.
- (d) Allotment to Renouncees who having applied for all the Equity Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Equity Shares will be made on a



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proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

- (e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Shareholders who have been allocated Equity Shares in this Issue, along with:

- i) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
- ii) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- iii) The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Escrow Collection Bank(s) to refund such Applicants.

ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Shareholders who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.



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Where an Applicant has applied for additional Equity Shares in the Issue and is allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

Unblocking amounts blocked using ASBA facility.

NACH – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

National Electronic Fund Transfer ("NEFT") – Payment of refund shall be undertaken through NEFT wherever the Shareholders' bank has been assigned the Indian Financial System Code ("**IFSC Code**"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Shareholders have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Shareholders through this method.

Direct Credit – Shareholders having bank accounts with the Banker(s) to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company

RTGS – If the refund amount exceeds Rs. 2,00,000, the Shareholders have the option to receive refund through RTGS. Such eligible Shareholders who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the Shareholder's bank receiving the credit would be borne by the Shareholders.

For all other Shareholders, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demands drawn in favour of the sole/first Shareholders and payable at par.



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Credit of refunds to Shareholders in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

Receipt of the Equity Shares in Dematerialized Form

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.

Shareholders shall be allotted the Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement with NSDL and with CDSL which enables the Shareholders to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

SHAREHOLDERS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Equity Shares in this Issue in the dematerialized form is as under:

- i) Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Shareholders having various folios in our Company with different joint holders, the Shareholders will have to open separate accounts for such holdings. Those Shareholders who have already opened such beneficiary account(s) need not adhere to this step.
- ii) It should be ensured that the depository account is in the name(s) of the Shareholders and the names are in the same order as in the records of our Company or the Depositories.
- iii) The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Shareholder's depository participant, would rest with the Shareholders. Shareholders should ensure that the names of the Shareholders and the order in which they appear in Application Form should be the same as registered with the Shareholder's depository participant.
- iv) If incomplete or incorrect beneficiary account details are given in the Application Form, the Shareholders will not get any Equity Shares and the Application Form will be rejected.



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- v) The Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by e-mail and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Applicant's depository account.
- vi) Non-transferable Allotment advice/ refund intimation will be directly sent to the Shareholders by the Registrar, by e-mail and, if the printing is feasible, through physical dispatch.
- vii) Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

IMPERSONATION

As a matter of abundant caution, attention of the Shareholders is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or 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 otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least Rs. 0.1 crore or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than Rs. 0.1 crore or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to Rs. 0.5 crore or with both.

UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.



UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- i) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- ii) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment.
- iii) The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- iv) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Shareholders within 4 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- v) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- vi) Adequate arrangements shall be made to collect all ASBA Applications.
- vii) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

SHAREHOLDERS GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.
2. All enquiries in connection with this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "[●]" on the envelope and postmarked in India or in the e-mail) to the Registrar at the following address:

Satellite Corporate Services Private Limited

Office no. 106 & 107, Dattani Plaza, East West Compound,
Andheri Kurla Road, Sakinaka, Mumbai, Maharashtra-400072

Tel No.: 022 - 28520461 / 28520462,

Website: www.satellitecorporate.com

E-mail ID: services@satellitecorporate.com, info@satellitecorporate.com

Contact Person: Mr. Michael Monteiro

SEBI Registration No: INR000003639



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3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders will be available on the website of the Registrar (i.e, Satellite Corporate Services Private Limited at www.satellitecorporate.com). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is 022 - 28520461 / 28520462.

(i) The Shareholders can visit following links for the below-mentioned purposes:

4. Frequently asked questions and online/electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders: www.satellitecorporate.com).
5. Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: www.satellitecorporate.com).
6. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.satellitecorporate.com).
7. Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: www.satellitecorporate.com.

This Issue will remain open for a minimum 7 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).



RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, 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. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ("**FDI**") and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) ("**DPIIT**"), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ("**FDI Circular 2020**"), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company fall under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectorial limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e. any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies ("**OCBs**") have been derecognized as an eligible class of investors and RBI has

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subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.



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STATUTORY AND OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.



SECTION IX - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts referred to in para (A) have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer.

Copies of the above mentioned contracts and also the documents for inspection referred to in para (B), may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Letter of Offer until the closure of the subscription list.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A) MATERIAL CONTRACTS

1. Agreement dated 11th October, 2023 between our Company and M/s Satellite Corporate Services Private Limited, Registrar to the Issue.
2. Tripartite Agreement dated 4th November, 2017 between our Company, National Securities Depository Ltd. (NSDL) and Registrar to the Issue;
3. Tripartite Agreement dated 12th October, 2017 between our Company, Central Depository Services (India) Limited (CDSL) and Registrar to the Issue;
4. Banker(s) to the Issue Agreement dated [●] amongst our Company and the Registrar to the Issue and the Escrow Collection Bank(s).

(B) DOCUMENTS FOR INSPECTION

5. Certified copy of the Memorandum of Association and Articles of Association of our Company as amended from time to time.
6. Certificate of Incorporation dated 16th November, 1992.
7. Fresh Certificate of Incorporation dated 25th October, 2021.
8. Copy of the resolution of the Board of Directors under Section 62 of the Companies Act passed in its meeting dated 5th June, 2023 authorizing the Issue.
9. Resolution passed by the Board of Directors dated [●] determining the Record date.
10. Resolution passed by the right issue committee dated 23rd October, 2023 approving the Draft Letter of offer.
11. Consents of the Directors, Company Secretary and Compliance Officer, Statutory Auditor and Registrar to the Issue to include their names in the Offer Document to act in their respective capacities;



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12. Annual reports of our Company for the financial years ended March 31, 2021, 2022 and 2023;
 13. A statement of tax benefits dated 16th October, 2023, received from M/s. Abhishek S Tiwari & Associates, Chartered Accountants, Statutory Auditor regarding tax benefits available to our Company and its shareholders;
 14. Audited financial results along with Audit report dated 26th May, 2023 received from M/s. Abhishek S Tiwari & Associates, Chartered Accountants, Statutory Auditor for the financial year ended March 31, 2023.
 15. Certificate dated 16th October, 2023 from M/s. Abhishek S Tiwari & Associates, Chartered Accountants regarding "Sources & deployment of funds";
 16. In-principle listing approval(s) dated [●] from BSE Limited;

Any of the contracts or documents mentioned in the Draft Letter of Offer 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 Equity Shareholders, subject to compliance with applicable law.



DECLARATION

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Draft Letter of Offer are true and correct.

Name	Signature
Mr. Ulhas Narayan Deosthale Executive Director DIN: 09215291	Sd/-
Mr. Rajesh Mirchumal Sadhwani Non-Executive Non-Independent Director DIN: 08315182	Sd/-
Ms. Sneha Sadwani Non-Executive Non-Independent Director DIN: 08315181	Sd/-
Mr. Sachin Prakash Aphantakar Non-Executive Independent Director DIN: 08715329	Sd/-
Mr. Siddhesh Shankar Shende Non-Executive Independent Director DIN: 09629926	Sd/-
Mr. Mayur Bharatbhai Bhat Non-Executive Independent Director DIN: 08715614	Sd/-
Mr. Sohan Chaturvedi Chief Financial Officer PAN: AJQPC1118E	Sd/-
Ms. Heta Deepak Shah Company Secretary and Compliance officer PAN: FVCPS3609R	Sd/-

Place: Mumbai
Date: 23rd October, 2023