

**QMS MEDICAL ALLIED SERVICES LIMITED**

Corporate Identification Number: U33309MH2017PLC299748

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
A1 A2/B1 B2, Navkala Bharti Building, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055, Maharashtra, India	N.A.	Ms. Toral Jailesh Bhadra, Company Secretary and Compliance Officer	<b>E-mail:</b> contact@qmsmas.com  <b>Tel:</b> +91 22 6288 1111	www.qmsmas.com

**PROMOTER: MAHESH MAKHIJA****DETAILS OF ISSUE TO PUBLIC**

Type of Issue	Fresh Issue Size	Offer For Sale Size	Total Offer Size	Eligibility
Fresh Issue and Offer for Sale	28,00,000 Equity Shares at the Offer Price of ₹121 each aggregating ₹ 3,388.00 Lakhs	19,00,000 Equity Shares at the Offer Price of ₹121 each aggregating ₹ 2,299.00 Lakhs	47,00,000 Equity Shares at the Offer Price of ₹121 each aggregating ₹ 5,687.00 Lakhs	This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. The Offer is being made pursuant to Regulation 229 (2) of SEBI (ICDR) Regulations, as the Company's post Offer paid up capital is more than ₹ 10.00 Cr.

**Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders**

Name of Selling Shareholder	Type	No. of Shares offered and Amount	Weighted Average Cost of Acquisition per Equity
Mahesh Makhija	Promoter	19,00,000 Equity Shares at the Offer Price of ₹121 each aggregating ₹ 2,299.00 Lakhs	₹ 0.01 per Equity Share

**RISKS IN RELATION TO FIRST OFFER**

This being the first Public Offer of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10/- each and the Offer Price of ₹ 121 is 12.10 times of the face value of the Equity Shares. The Offer Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "Basis for Offer Price" beginning on page 57 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 16.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares offered through this Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("NSE"). For the purposes of this Offer, NSE is the Designated Stock Exchange.

**BOOK RUNNING LEAD MANAGER TO THE OFFER****REGISTRAR TO THE OFFER**

<b>Name of Book Running Lead Manager to the Offer:</b>  <b>First Overseas Capital Limited</b>	<b>Name of Registrar to the Offer:</b>  <b>Bigshare Services Private Limited</b>
<b>Name of Contact Person:</b> Satish Sheth / Mala Soneji  <b>Tel No.:</b> +91 22 4050 9999 <b>Email:</b> satish@focl.in / mala@focl.in	<b>Name of Contact Person:</b> Arvind Tandel  <b>Tel. No.:</b> +91 22 6263 8200 <b>Email:</b> ipo@bigshareonline.com

**OFFER PROGRAMME**

<b>OFFER OPENS ON:</b>	<b>TUESDAY, SEPTEMBER 27, 2022</b>
<b>OFFER CLOSES ON:</b>	<b>FRIDAY, SEPTEMBER 30, 2022</b>



## QMS MEDICAL ALLIED SERVICES LIMITED

Our Company was incorporated as QMS Medical Allied Services Private Limited on September 14, 2017 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration number 299748. The status of the Company was changed to public limited and the name of our Company was changed to QMS Medical Allied Services Limited vide Special Resolution dated October 22, 2020. The fresh certificate of incorporation consequent to conversion was issued on November 06, 2020 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U33309MH2017PLC299748. For further details of our Company, see "General Information" and "History and Certain Other Corporate Matters" on pages 36 and 78, respectively.

**Registered Office:** A1 A2/B1 B2, Navkala Bharti Building, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055, Maharashtra, India

**Tel No.:** +91 22 6288 1111; **Email:** contact@qmsmas.com; **Website:** www.qmsmas.com

**Contact Person:** Toral Jailesh Bhadra, Company Secretary and Compliance Officer.

### PROMOTER: MAHESH MAKHIJA

INITIAL PUBLIC OFFERING OF UP TO 47,00,000 EQUITY SHARES OF ₹10 EACH ("EQUITY SHARES") OF QMS MEDICAL ALLIED SERVICES LIMITED ("QMS" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ 121.00 PER EQUITY SHARE (THE "OFFER PRICE"), AGGREGATING TO ₹ 5687.00 LAKHS ("THE OFFER"), COMPRISING A FRESH ISSUE OF UP TO 28,00,000 EQUITY SHARES AGGREGATING TO ₹ 3,388.00 LAKHS BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 19,00,000 EQUITY SHARES BY MAHESH MAKHIJA ("THE PROMOTER SELLING SHAREHOLDER" OR "THE SELLING SHAREHOLDER") AGGREGATING TO ₹ 2,299.00 LAKHS ("OFFER FOR SALE"). OF THE OFFER, 2,36,000 EQUITY SHARES AGGREGATING TO ₹285.56 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION I.E. OFFER OF 44,64,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT AN OFFER PRICE OF ₹121.00 PER EQUITY SHARE AGGREGATING TO ₹5401.44 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE 26.33% AND 25.01%, RESPECTIVELY OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, SEE "TERMS OF THE OFFER" ON PAGE 149 OF THE PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10.00 EACH AND THE OFFER PRICE OF ₹121.00 IS 12.10 TIMES OF THE FACE VALUE

THIS OFFER IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI (ICDR) REGULATIONS"), AS AMENDED. IN TERMS OF RULE 19(2)(b) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN OFFER FOR AT LEAST 25% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS OFFER IS A FIXED PRICE OFFER AND ALLOCATION IN THE NET OFFER TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253 OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, SEE "OFFER PROCEDURE" ON PAGE 157 OF THE PROSPECTUS.

All potential investors shall participate in the Offer only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details of the irrespective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. A copy will be delivered for registration to the Registrar of Companies as under Section 26 and Section 28 of the Companies Act, 2013. For details in this regard, specific attention is invited to "Offer Procedure" on page 159. A copy of the Prospectus will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

### RISKS IN RELATION TO FIRST OFFER

This being the first Offer of the Issuer, there has been no formal market for the securities of our Company. The face value of the Equity Shares of our Company is ₹10.00. The Offer Price should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. **Specific attention of the investors is invited to 'Risk Factors' on page 16.**

### ISSUER'S ABSOLUTE RESPONSIBILITY

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

### LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("NSE"). Our Company has received the approval letter dated July 25, 2022 from NSE for using its name in the offer document for listing of our shares on the EMERGE Platform of NSE. For the purpose of this Offer, the Designated Stock Exchange will be NSE.

### LEAD MANAGER TO THE OFFER

### REGISTRAR TO THE OFFER



#### FIRST OVERSEAS CAPITAL LIMITED

1-2 Bhupen Chambers, Dalal Street, Fountain,  
Mumbai – 400 001, Maharashtra, India.

**Tel No.:** +91 22 4050 9999

**Fax No.:** +91 22 4050 9900

**Email:** satish@focl.in / mala@focl.in

**Investor Grievance Email:** investorcomplaints@focl.in

**Website:** www.focl.in

**SEBI Registration No:** INM000003671

**Contact Person:** Satish Sheth / Mala Soneji

#### BIGSHARE SERVICES PRIVATE LIMITED

Office No. S6-2, 6th Floor, Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road, Andheri (East),  
Mumbai – 400 093, Maharashtra, India.

**Tel. No.:** +91 22 6263 8200

**Email:** ipo@bigshareonline.com

**Website:** www.bigshareonline.com

**Investor Grievance Email:** investor@bigshareonline.com

**SEBI Registration No.:** INR000001385

**Contact Person:** Arvind Tandel

### OFFER PROGRAMME

OFFER OPENS ON: SEPTEMBER 27, 2022

OFFER CLOSES ON: SEPTEMBER 30, 2022

## INDEX

<b>SECTION I – GENERAL</b> .....	<b>1</b>
<b>DEFINITIONS AND ABBREVIATIONS</b> .....	<b>1</b>
<b>CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND</b>	
<b>CURRENCY OF PRESENTATION</b> .....	<b>10</b>
<b>FORWARD-LOOKING STATEMENTS</b> .....	<b>11</b>
<b>SECTION II - SUMMARY OF THE OFFER DOCUMENT</b> .....	<b>12</b>
<b>SECTION III - RISK FACTORS</b> .....	<b>16</b>
<b>SECTION IV – INTRODUCTION</b> .....	<b>32</b>
<b>THE OFFER</b> .....	<b>32</b>
<b>SUMMARY FINANCIAL INFORMATION</b> .....	<b>33</b>
<b>GENERAL INFORMATION</b> .....	<b>36</b>
<b>CAPITAL STRUCTURE</b> .....	<b>43</b>
<b>OBJECTS OF THE OFFER</b> .....	<b>52</b>
<b>BASIS FOR OFFER PRICE</b> .....	<b>57</b>
<b>STATEMENT OF TAX BENEFITS</b> .....	<b>59</b>
<b>SECTION V: ABOUT THE COMPANY</b> .....	<b>61</b>
<b>INDUSTRY OVERVIEW</b> .....	<b>61</b>
<b>OUR BUSINESS</b> .....	<b>68</b>
<b>HISTORY AND CERTAIN CORPORATE MATTERS</b> .....	<b>78</b>
<b>OUR MANAGEMENT</b> .....	<b>81</b>
<b>OUR PROMOTERS AND PROMOTER GROUP</b> .....	<b>92</b>
<b>OUR GROUP ENTITIES</b> .....	<b>96</b>
<b>RELATED PARTY TRANSACTIONS</b> .....	<b>98</b>
<b>DIVIDEND POLICY</b> .....	<b>99</b>
<b>SECTION VI – FINANCIAL INFORMATION</b> .....	<b>100</b>
<b>FINANCIAL STATEMENTS</b> .....	<b>100</b>
<b>MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF</b>	
<b>OPERATIONS</b> .....	<b>122</b>
<b>FINANCIAL INDEBTEDNESS</b> .....	<b>130</b>
<b>SECTION VII – LEGAL AND OTHER INFORMATION</b> .....	<b>131</b>
<b>OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS</b> .....	<b>131</b>
<b>GOVERNMENT AND OTHER APPROVALS</b> .....	<b>134</b>
<b>OUR GROUP ENTITIES</b> .....	<b>136</b>
<b>OTHER REGULATORY AND STATUTORY DISCLOSURES</b> .....	<b>137</b>
<b>SECTION VIII – ISSUE RELATED INFORMATION</b> .....	<b>149</b>
<b>TERMS OF THE OFFER</b> .....	<b>149</b>
<b>OFFER STRUCTURE</b> .....	<b>154</b>
<b>OFFER PROCEDURE</b> .....	<b>157</b>
<b>RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES</b> .....	<b>178</b>
<b>SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION</b> .....	<b>179</b>
<b>SECTION X – OTHER INFORMATION</b> .....	<b>200</b>
<b>MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION</b> .....	<b>200</b>
<b>DECLARATION</b> .....	<b>202</b>

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**SECTION I – GENERAL  
DEFINITIONS AND ABBREVIATIONS**

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

*The words and expressions used in this Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.*

*Notwithstanding the foregoing in ‘Main Provisions of the Articles of Association’, ‘Summary of Our Business’, ‘Our Business’, ‘Risk Factors’, ‘Industry Overview’, ‘Key Regulations and Policies in India’, ‘Financial Information’, ‘Outstanding Litigation and Material Developments’ and ‘Part B’ of ‘Offer Procedure’, defined terms, will have the meaning ascribed to such terms in these respective sections.*

**Company Related Terms**

<b>Term</b>	<b>Description</b>
“QMS Medical Allied Services Limited”, “QMS”, “We” or “us” or “our Company” or “the Issuer”	Unless the context otherwise requires, refers to QMS Medical Allied Services Limited, a Company incorporated under the Companies Act, 2013 and having its registered office at A1 A2/B1 B2, Navkala Bharti Building, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055, Maharashtra, India.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, our Company.
“you”, “your” or “yours”	Prospective investors in this Offer
AOA/Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014
Board/ Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof.
Compliance Officer	The Company Secretary of our Company, being Toral Jailesh Bhadra, Company Secretary and Compliance Officer.
Director(s)	Director(s) on the Board of our Company, as appointed from time to time, unless otherwise specified.
Equity Shareholders	The holders of the Equity Shares
Equity Shares/Shares	The equity shares of our Company of a face value of ₹10.00 each unless otherwise specified in the context thereof
Group Companies / Group Entities	Such companies as covered under the applicable accounting standards, being Accounting Standard 18 or other entities as considered material in accordance with the Materiality Policy, as described in “ <i>Our Group Entities</i> ” on page 95.
Key Management Personnel / KMP	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI (ICDR) Regulations, Section 2(51) of the Companies Act, 2013. For details, please refer “ <i>Our Management</i> ” on page 81.
Materiality Policy	A policy adopted by our Company, in its Board meeting held on March 4, 2022 for identification of group companies, material creditors and material litigations.
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Peer Reviewed Auditor	The independent peer reviewed Auditor of our Company M/s. P. V. Dalal & Co., Chartered Accountants
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(zb) of the SEBI (ICDR) Regulations.

Promoter	Mahesh Makhija
Registered Office	The registered office of our Company situated at A1 A2/B1 B2, Navkala Bharti Building, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055, Maharashtra, India.
Registrar of Companies / ROC	Registrar of Companies, Mumbai, Maharashtra
Restated Summary Statements	Audited restated summary statements of assets and liabilities March 31, 2022; 2021 and 2020 and audited restated summary statements of profits and losses and cash flows for the financial years ended March 31, 2022, 2021 and 2020 of the Company.
Statutory Auditor	The Statutory Auditor of our Company, being M/s. P. V. Dalal & Co., Chartered Accountants.

### Offer Related Terms

Term	Description
Acknowledgement Slip	The slip, document or counter foil issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allot / Allotment /Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Offer of Equity Shares to the successful Applicants.
Allottee	A successful Applicant to whom the Equity Shares are Allotted.
Applicant	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an offer during the Offer Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Offer Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Form	The form in terms of which an Applicant shall make an Application and which shall be considered as the application for the Allotment pursuant to the terms of the Prospectus.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by an Applicant authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB and will include amounts blocked by SCSB upon acceptance of UPI Mandate Request by UPI Applicants using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Applicants for blocking the Bid Amount mentioned in the ASBA Form and will include amounts blocked by SCSB upon acceptance of UPI Mandate Request by UPI Applicants using the UPI Mechanism.
ASBA Applicant(s)	Any prospective investors in this Offer who applies for Equity Shares of our Company through the ASBA process in terms of the Prospectus.
Bankers to the Offer/ Public Offer Bank	The banks which are clearing members and registered with SEBI as Banker to an Offer with whom the Public Offer Account will be opened and in this case being Axis Bank Limited.
Banker to the Offer Agreement	Agreement to be entered into amongst the Company, LM, the Registrar, Sponsor Bank, and the Banker of the Offer.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Offer, described in “Offer Procedure” on page 157.
Broker Centres	Broker centres notified by the Stock Exchange, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centres, along with the name and contact details of the Registered Brokers, are available on the website of NSE on the following link <a href="http://www.nseindia.com">www.nseindia.com</a> .
Broker to the Offer	All recognized members of the stock exchange would be eligible to act as the Broker to the Offer.
NSE SME	The Emerge platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI (ICDR) Regulations, 2018.
CAN / Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.

<b>Term</b>	<b>Description</b>
Client ID	Client identification number of the Applicant’s beneficiary account.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Collection Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Offer and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The details of the Applicants including the Applicants’ address, names of the Applicants’ father/husband, investor status, occupations, and bank account details.
Depository /Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996.
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> ).
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts to the Public Offer Account or unblock such amounts, as appropriate in terms of the Prospectus.
Designated Intermediaries / Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an Offer and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Market Maker / Market Maker	In our case, Rikhav Securities Limited.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> ).
Designated SCSB Branches	Such branches of the SCSBs which collected the ASBA Application Form from the applicants and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited
Draft Prospectus / DP	The Draft Prospectus dated June 24, 2022, filed with National Stock Exchange of India Limited.
Eligible NRI	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value Rs. 10/- each
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible QFI	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened dematerialised accounts with SEBI registered qualified depository participants as QFIs and are deemed as FPIs under the SEBI FPI Regulations.
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018.
Offer / Public Offer/ Offer size / Initial Public Offer/	Initial Public Offering of up to 47,00,000 Equity Shares of ₹10 each (“Equity Shares”) of QMS Medical Allied Services Limited (“QMS” or the “company”) for cash at a price of

<b>Term</b>	<b>Description</b>
Initial Public Offering / IPO	₹ 121.00 per equity share (the “Offer price”), aggregating to ₹ 5687.00 lakhs (“the Offer”), comprising a fresh issue of up to 28,00,000 equity shares aggregating to ₹ 3,388.00 lakhs by our company (“Fresh Issue”) and an offer for sale of up to 19,00,000 Equity Shares by Mahesh Makhija (“the Promoter Selling Shareholder” or “the Selling Shareholder”) aggregating to ₹ 2,299.00 lakhs (“offer for sale”). Of the Offer, 2,36,000 Equity Shares aggregating to ₹285.56 lakhs will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”). The Offer less the Market Maker Reservation Portion i.e. Offer of 44,64,000 Equity Shares of face value of ₹ 10.00 each at an Offer price of ₹121.00 per Equity Share aggregating to ₹5401.44 lakhs is hereinafter referred to as the “Net Offer”.
Offer Agreement / MoU	The agreement dated June 24, 2022 entered into amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer Closing Date	The date on which the Offer closes for subscription. In this case being September 30, 2022
Offer Opening Date	The date on which the Offer opens for subscription. In this case being September 27, 2022
Offer Period	The period between the Offer Opening Date and the Offer Closing Date, inclusive of both days during which prospective Applicants can submit their Applications, including any revisions thereof.
Offer Price	The price at which Equity Shares are being offered by our Company being ₹121 per Equity Share.
Lead Manager / LM	The lead manager to the Offer, in this case being First Overseas Capital Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the NSE.
Market Maker Reservation Portion	2,36,000 Equity Shares of ₹10.00 each at ₹121 per Equity Share aggregating to ₹285.56 lakhs reserved for subscription by the Market Maker.
Net Offer	The Offer (excluding the Market Maker Reservation Portion) of 44,64,000 Equity Shares of face value of ₹10.00 each at an Offer Price of ₹121.00 per equity share aggregating to ₹5,401.44 lakhs.
Net Proceeds	Proceeds of the Offer that will be available to our Company, which shall be the gross proceeds of the Offer less the Offer expenses.
Non-Institutional Investors / NIIs	All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors who have made Application for Equity Shares for an amount of more than ₹2,00,000 (but not including NRIs other than Eligible NRIs).
Prospectus	The Prospectus to be filed with the RoC for this Offer in accordance with the provisions of Section 26 of the Companies Act, 2013 and the SEBI (ICDR) Regulations, including any addenda or corrigenda thereto.
Public Offer Account	The account to be opened with the Banker to the Offer under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations.
Refund Account(s)	Accounts to which the monies to be refunded to the Applicants is transferred from the Public Offer Account in case listing of the Equity Shares does not occur.
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals.
Registrar Agreement	The Agreement between the Registrar to the Offer and the Issuer Company dated June 24, 2022, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar to the Offer	The Registrar to the Offer being Bigshare Services Private Limited.
Retail Individual Investors/ RIIs	Applicants (including HUFs, in the name of Karta and Eligible NRIs) whose Application Amount for Equity Shares in the Offer is not more than ₹2,00,000/-.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable.
Self Certified Syndicate Banks or SCSBs	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at www.sebi.gov.in and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.



<b>Term</b>	<b>Description</b>
SME Platform of NSE / SME Exchange / Stock Exchange / NSE Emerge	The Emerge platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations.
Sponsor Bank	Axis Bank Limited, being a Banker to the Offer, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs into the UPI, and carry out other responsibilities, in terms of the SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI
Underwriters	First Overseas Capital Limited and Rikhav Securities Limited
Underwriting Agreement	The agreement dated June 24, 2022 entered into among the Underwriter and our Company.
UPI	Unified payments interface, which is an instant payment mechanism, developed by NPCI
UPI Applicants	Collectively, individual investors applying as Retail Individual Inventors in the Retail Portion, and Other than retail individual investors applying with an application size of more than ₹ 200,000 and up to ₹ 500,000 in the Other than Retail Investors category and applying under the UPI Mechanism.  Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the application form submitted with: (i) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (ii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iii) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI ID	ID created on the UPI for single-window mobile payment system developed by NPCI
UPI ID Linked Bank Account	Account of the RIIs, applying in the Offer using the UPI mechanism, which will be blocked upon accepting the UPI mandate to the extent of the appropriate application amount and subsequent debit of funds in the case of allotment.
UPI Mandate Request	A request (intimating the UPI Applicants by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI mobile application) to the UPI Applicants initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to application Amount and subsequent debit of funds in case of Allotment
UPI mechanism	The mechanism using UPI that may be used by UPI Applicants to make an application in the Offer in accordance with the SEBI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI Regulations.
Working Day(s)	“Working Day” means all days on which commercial banks in Mumbai are open for business. However, in respect of - (a) announcement of Price Band; and (b) Offer period, working day shall mean all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Offer Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

#### Technical and Industry Related Terms

<b>Term</b>	<b>Description</b>
ASSOCHAM	The Associated Chambers of Commerce of India
BCG	Boston Consulting Group
GDP	Gross Domestic Product
GVA	Gross Value Added
IBEF	Indian Brand Equity Foundation
M&A	Mergers and Acquisitions
MT	Million Tonnes
MUDRA	Micro Units Development and Refinance Agency

<b>Term</b>	<b>Description</b>
NASSCOM	The National Association of Software and Service Companies
PE	Private Equity

### Conventional and General Terms and Abbreviations

<b>Term</b>	<b>Description</b>
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds
Air Act	Air (Prevention and Control of Pollution) Act, 1981
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
Authorised Dealers	Authorised Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
AY	Assessment Year
B. A.	Bachelor of Arts
B.Com	Bachelor of Commerce
Banking Regulation Act	Banking Regulation Act, 1949
Bn	Billion
Breeding Rules	Breeding of and Experiments on Animals (Control and Supervision) Rules, 1998
BSE	BSE Limited (formerly known as Bombay Stock Exchange Limited)
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a category II foreign portfolio investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CBEC	Central Board of Excise and Customs
CDSL	Central Depository Services (India) Limited
Central Sales Tax Act	Central Sales Tax Act, 1956
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections)
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications, and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from June 7, 2016, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Copyright Act	The Copyright Act, 1957
CSR	Corporate Social Responsibility
Depositories Act	Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP	Depository Participant

<b>Term</b>	<b>Description</b>
DP ID	Depository Participant's identity number
DTC	Direct Tax Code, 2013
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Environment Protection Act	Environment Protection Act, 1986
EPF Act	Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
F&NG	Father and Natural Guardian
F&O	Futures and Options
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA 20	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
FMC	Forward Market Commission
FOB	Free on Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FTA	The Foreign Trade (Development and Regulation) Act, 1992
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GoI/Government	Government of India
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
HUF(s)	Hindu Undivided Family(ies)
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
ISIN	International Securities Identification Number
ISO	International Standards Organization
KMP	Key Managerial Personnel
KW	Kilo Watt
LIBOR	London interbank offered rate
Ltd.	Limited
M. A	Master of Arts
M. Com.	Master of Commerce
M.B.A	Master of Business Administration
MAPIN	Market Participants and Investors' Integrated Database
Maternity Benefit Act	Maternity Benefit Act, 1961
MCA	The Ministry of Corporate Affairs, GoI
MCI	Ministry of Commerce and Industry, GoI

<b>Term</b>	<b>Description</b>
Minimum Wages Act	Minimum Wages Act, 1948
Mn	Million
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NA	Not Applicable
NAV	Net asset value
NIFTY	National Stock Exchange Sensitive Index
NLEM 2011	National List of Essential Medicines – 2011
No.	Number
Non-Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
NWR	Negotiable Warehouse Receipt
OCB	Overseas Corporate Bodies
Overseas Corporate Body / OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000. <b>OCBs are not allowed to invest in this Offer.</b>
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent account number
PAT	Profit after tax
Patents Act	Patents Act, 1970
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
PCA Act	Prevention of Cruelty to Animals Act, 1960
PIL	Public Interest Litigation
PPP	Public private partnership
Pvt./(P)	Private
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
RBI	The Reserve Bank of India
RoC or Registrar of Companies	The Registrar of Companies, West Bengal
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (LODR)	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

<b>Term</b>	<b>Description</b>
Regulations	Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (Venture Capital) Regulations	Securities and Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
Sec.	Section
SENSEX	Bombay Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SITP	Scheme for integrated textile parks
SME	Small and Medium Enterprise
SSI	Small Scale Industry
STT	Securities Transaction Tax
TPH	Tonnes per hour
Trademarks Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US\$ or USD or US Dollar	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VCF	Venture Capital Funds
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
Wages Act	Payment of Wages Act, 1936
Workmen’s Compensation Act	Workmen’s Compensation Act, 1923

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

### Certain Conventions

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “QMS Medical Allied Services Limited” and “BMTL”, unless the context otherwise indicates or implies, refers to QMS Medical Allied Services Limited. All references in this Prospectus to “India” are to the Republic of India. All references in this Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

### Financial Data

Unless stated otherwise, the financial data in this Prospectus is derived from our audited financial statements for the financial years ended March 31, 2022, 2021 and 2020, prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations which are included in this Prospectus, and set out in *Financial Statements*’ on page 100. 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, so all references to a particular financial year are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between the Indian GAAP, the International Financial Reporting Standards (the “IFRS”) and the Generally Accepted Accounting Principles in the United States of America (the “U.S. GAAP”). Accordingly, the degree to which the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to quantify the impact of the IFRS or the U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those under the U.S. GAAP or the IFRS and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points, except for figures in percentage. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

### Currency and units of presentation

In this Prospectus, unless the context otherwise requires, all references to (a) ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India; (b) ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America. All references to the word ‘Lakh’ or ‘Lac’ or ‘Lacs’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lakhs’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’. Any percentage amounts, as set forth in *"Risk Factors"*, *"Our Business"*, *"Management's Discussion and Analysis of Financial Conditions and Results of Operation"* and elsewhere in this Prospectus, unless otherwise indicated, have been calculated based on our Restated Financial Statement.

### Industry and Market Data

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

## FORWARD-LOOKING STATEMENTS

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

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

- general economic and business conditions in the markets in which we operate and in the local, regional, and national and international economies;
- our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- our ability to respond to technological changes;
- our ability to attract and retain qualified personnel;
- the effect of wage pressures, hiring patterns and the time required to train and productively utilize new employees;
- general social and political conditions in India which have an impact on our business activities or investments;
- potential mergers, acquisitions restructurings and increased competition;
- occurrences of natural disasters or calamities affecting the areas in which we have operations;
- market fluctuations and industry dynamics beyond our control;
- changes in the competition landscape;
- our ability to finance our business growth and obtain financing on favourable terms;
- our ability to manage our growth effectively;
- our ability to compete effectively, particularly in new markets and businesses;
- changes in laws and regulations relating to the industry in which we operate changes in government policies and regulatory actions that apply to or affect our business;
- developments affecting the Indian economy; and
- Inability to meet our obligations, including repayment, financial and other covenants under our debt financing arrangements.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 16, 68 and 122 respectively.

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

## SECTION II - SUMMARY OF THE OFFER DOCUMENT

### A. Summary of Business & Industry:

#### *Summary of Business:*

Our Company is engaged in the marketing and distribution of a wide range of medical and healthcare devices and accessories. We market and distribute these products to various end users such as clinics, pharma and medical companies and also to individual users. These devices are sold directly in the brand of the manufacturer and also under our own brand.

We have recently launched our brand “Q-Devices” with an intention to provide affordable and quality products in the market so as to become a customer preferred medical device company. We get our products manufactured in India from third party manufacturers, under our own brand. We market and sell them under our own brand “Q-Devices”. The products sold under “Q-Devices” are affordable without compromising on the quality. We already have products such as glucometer, pulse oximeter, IR thermometer, BP Monitor, Anatomy set, Neurology kit, Orthopaedic Aids and Weighing Scales.

Our major medical products include:

- Blood Pressure Monitor
- Glucose Monitoring Kits & Strips
- Dental Products
- Personal Protection Kits
- Stethoscope
- Oxygen Concentrator
- pulse oximeter
- IR thermometer
- Anatomy set
- Orthopaedic Aids and
- Weighing Scales

Our Company offers a range of evidence-based, scientific content medical programs under “Educamedics” (online portal for CME services), which is used in updating knowledge, clinical updates and practices. Continuing medical education (CME) is a valuable mechanism to update physicians knowledge with ever-increasing plethora of contemporary advances within medical fraternity. Our company aims to impact lives of people through continuous skill development and thus helping the pharmaceutical companies in their medical awareness initiatives.

#### *Summary of Industry:*

### **MEDICAL DEVICES INDUSTRY IN INDIA**

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

### **INTRODUCTION**

The healthcare and medical device sectors have grown significantly in the last decade. There is a huge gap in the current demand and supply of medical devices in India and this provides a significant opportunity for manufacturing devices in India.

At present, many medical device manufacturers (domestic and international) are chasing this massive under penetration of medical devices in India as a significant growth opportunity.

### **MARKET SIZE**

India is among the top 20 markets for medical devices worldwide. The market is expected to increase at a 37% CAGR to reach US\$ 50 billion in 2025, from Rs. 75,611 crore (US\$ 10.36 billion) in 2020. The medical devices sector in India comprises large multinationals and small and mid-sized companies.

India has a 75-80% import dependency on medical devices. Exports stood at (US\$ 2.51 billion) in 2019-20 and are expected to rise to US\$ 10 billion by 2025.



To increase export of medical devices in the country, the Indian Ministry of Health and Family Welfare (MOHFW) and Central Drugs Standard Control Organisation (CDSCO) implemented the following initiatives: re-examination and implementation of Schedule MIII (a draft guidance on good manufacturing practices and facility requirements), system for export labelling, clinical evaluation and adverse reporting clarification, state licensing authority to extend free sales certificate validity from 2 years to 5 years to allow exports, create a list of manufacturers with export licensing for easy access by regulatory authorities worldwide.

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

#### B. Promoters:

Mahesh Makhija is the Promoter of our Company.

#### C. Offer Size:

INITIAL PUBLIC OFFERING OF UP TO 47,00,000 EQUITY SHARES OF ₹10 EACH (“EQUITY SHARES”) OF QMS MEDICAL ALLIED SERVICES LIMITED (“QMS” OR THE “COMPANY”) FOR CASH AT A PRICE OF ₹ 121.00 PER EQUITY SHARE (THE “OFFER PRICE”), AGGREGATING TO ₹ 5687.00 LAKHS (“THE OFFER”), COMPRISING A FRESH ISSUE OF UP TO 28,00,000 EQUITY SHARES AGGREGATING TO ₹ 3,388.00 LAKHS BY OUR COMPANY (“FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 19,00,000 EQUITY SHARES BY MAHESH MAKHIJA (“THE PROMOTER SELLING SHAREHOLDER” OR “THE SELLING SHAREHOLDER”) AGGREGATING TO ₹ 2,299.00 LAKHS (“OFFER FOR SALE”). OF THE OFFER, 2,36,000 EQUITY SHARES AGGREGATING TO ₹285.56 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION I.E. OFFER OF 44,64,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT AN OFFER PRICE OF ₹121.00 PER EQUITY SHARE AGGREGATING TO ₹5401.44 LAKHS IS HEREINAFTER REFERRED TO AS THE “NET OFFER”.

#### D. Objects of the Offer:

The proposed utilisation of the Net Proceeds from fresh issue is set forth below:

Sr. No.	Object	Amount Proposed to be Utilised from the Offer Proceeds (₹ in lakhs)
1.	Funding Additional Working capital requirements	2,700.00
2.	General Corporate Purposes	638.00
3.	Offer Expenses	50.00
	<b>Total</b>	<b>3,388.00</b>

#### E. Pre-Offer Shareholding of Promoters, Promoter Group:

Sr.	Particulars	Pre-Offer	
		No. of Shares	% Holding
a)	<b>Promoters</b>		
	Mahesh Makhija	1,47,48,840	98.00%
	<b>Total</b>	<b>1,47,48,840</b>	<b>98.00%</b>
b)	<b>Promoter Group</b>		
	Guddi Makhija	1,50,500	1.00%
	Diti Makhija	1,50,500	1.00%
	<b>Total</b>	<b>3,01,000</b>	<b>2.00%</b>
	<b>Grand Total</b>	<b>1,50,49,840</b>	<b>100.00%</b>

#### F. Summary of Financial Information:

Particulars	(₹ in Lakhs)		
	31.03.22	31.03.21	31.03.20

Share Capital	376.25	376.25	301.00
Net Worth	3102.97	2,032.33	940.58
Revenue	14,774.77	12,209.00	7,277.81
Profit After Tax	1,070.64	1,091.75	635.35
Basic and Diluted Earnings per Equity Share (Considering bonus in all previous years) (in ₹)	7.11	7.25	4.22
Net Asset Value/Book Value per Equity share (Considering bonus in all previous years) (in ₹)	20.62	13.50	6.25
Total Borrowings	3197.65	1,960.34	1,160.42

Our Annual Reports and financial statements are also available on our website at: [www.qmsmas.com](http://www.qmsmas.com).

**G. Auditor qualifications which have not been given effect to in the Restated Financial Information:**

There are no auditor qualifications which would require adjustments in the Restated Financial Information and for which no such effect has been given.

**H. Summary of Outstanding Litigations:**

For further details regarding the same, please refer to the chapter titled ‘Outstanding Litigations and Material Developments’ beginning on page 131 of the Prospectus.

**I. Risk Factors:**

Please see ‘Risk Factors’ beginning on page 16.

**J. Summary of Contingent Liabilities of our Company:**

We do not have any contingent liabilities as on March 31, 2022.

**K. Summary of Related Party Transactions:**

For further details please refer “Annexure V- Related Party Transaction” on page 118, under the section titled “Financial Information” beginning on page 100 of this Prospectus.

**L. Financing Arrangements:**

There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company 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 six months immediately preceding the date of the Prospectus.

**M. Weighted Average Price of the Equity Shares acquired by the Promoter in the last one year preceding the date of this Prospectus:**

Other than as mentioned below, the Promoters have not acquired any Equity Shares in the last one year preceding the date of this Prospectus:

Name of the Promoter	No. of Shares	Average cost of acquisition (in ₹)
Mahesh Makhija	1,10,61,630	Nil*

For further details please refer to chapter titled “Capital Structure” on page 43.

\* Bonus Issue in the ratio of 3:1

**N. Average cost of acquisition of shares for promoter:**

Name of the Promoter	Average cost of acquisition (in ₹)
Mahesh Makhija	0.01

**O. Pre-IPO Placement:**

The Company does not intend to undertake Pre-IPO Placement in the Offer.

**P. Issue of equity shares made in last one year for consideration other than cash**

Other than as mentioned below, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Prospectus:

<b>Date of Allotment</b>	<b>No. of Equity Shares</b>	<b>Face Value (₹)</b>	<b>Issue Price (₹)</b>	<b>Nature / Reason of Allotment</b>	<b>Nature of Consideration</b>
June 10, 2022	1,12,87,500	10	Nil	Bonus Issue in the ratio of 3:1	Nil

**Q. Split / Consolidation of Equity Shares in the last one year**

There was no split / consolidation of the Equity Shares of our Company since incorporation.

### SECTION III - RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties summarised below, before making an investment in our Equity Shares. The risks described below are relevant to, the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on page 68 and 122 respectively, of this Prospectus as well as the other financial and statistical information contained in this Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in 'Financial Statements' on page 100 of this Prospectus. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian GAAP, as restated.*

*If any one or more of the following risks as well as other risks and uncertainties discussed in this Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of your investment.*

*This Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in this Prospectus.*

*These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.*

#### **Materiality**

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

1. *Some events may not be material individually but may be material when considered collectively.*
2. *Some events may have an impact which is qualitative though not quantitative.*
3. *Some events may not be material at present but may have a material impact in the future.*

#### **INTERNAL RISKS**

1. ***There are certain outstanding legal proceeding involving our Promoter and Promoter Entities which may adversely affect our business, financial condition and results of operations.***

There are certain proceedings pending at different levels of adjudication before various authorities, enquiry officers and appellate forums. Such proceedings could divert management time, attention and consume financial resources in their defense. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. A summary of the outstanding proceedings against our Company and Group Companies as disclosed in this Prospectus, to the extent quantifiable, have been set out below:

<b>Nature of case</b>	<b>Number of cases</b>	<b>Amount involved (in ₹lakhs)</b>
<b><i>Company</i></b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b><i>Our Promoter</i></b>		
Direct Tax	1	0.58
Indirect Tax	Nil	Nil
<b><i>Our Directors</i></b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b><i>Our Group Companies</i></b>		

Direct Tax	7	4.23
Indirect Tax	Nil	Nil

The table above does not include those penalties, interests and costs, if any, which may be imposed or which may have been pleaded but not quantified in the course of legal proceedings, or which the Court / Tribunal otherwise has the discretion to impose. The imposition and amount of such penalties / interests / costs are at the discretion of the court / tribunal where the case is pending. Such liability, if any, would crystallize only on the order of the tribunal where the case(s) is / are pending.

For further details, please refer to section titled "Outstanding Litigation and Material Developments" beginning on page 131 of this Prospectus.

- 2. We procure our products manufactured from third party manufacturers or suppliers. Hence we have to rely on third parties for procuring the products sold by our Company. If these manufacturers or suppliers are unable or unwilling to manufacture our products, or if these organizations fail to comply with FDA or other applicable regulations or otherwise fail to meet our requirements, our business will be adversely affected.**

Our Company is engaged in the marketing and distribution of medical and healthcare devices and accessories. We procure our products manufactured from third party manufacturers or suppliers. Hence we have to rely on third parties for procuring the products sold by our Company. Our Company has no formal supply agreement or contract with our vendors/suppliers for the uninterrupted supply of traded or marketed products. There can be no assurance that such parties shall continuously provide their products to us or would not cater to demand of our competitors directly. We are also exposed to fluctuations in the prices of these traded/ marketed products as well as its unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers and our major requirement is met in the spot market. In the event of any disruption in the supply or the non-availability of products, the purchase and distribution schedule may be adversely affected impacting the sales and profitability of the Company.

Further, we have recently launched our brand “Qdevices”, the manufacturing of which is outsourced by us to third parties and hence we have to rely on third parties for manufacturing the products, which are marketed by us under our own brand names. Any decline in the quality of products manufactured by third parties or delay in delivery of products by such parties, may adversely affect our operations. In the event the prices of such goods were to rise substantially, we may find it difficult to make alternative arrangements, on the terms acceptable to us, which could materially affect our business, results of operations and financial condition.

Furthermore, the manufacturing facilities and processes used by our vendors must be approved by the FDA or other regulatory norms and their respective regulators, where applicable, before the healthcare products manufactured by such vendor can be sold. After approval, vendors must meet certain ongoing regulatory requirements for product testing and stability of our commercially marketed products. We do not control the manufacturing processes of our vendors and depend on them to comply with current good manufacturing practices (“CGMP”), and obtain and maintain regulatory approval. If approval for a vendor is not received or ongoing testing does not continue to meet approved standards and approval is withdrawn, the vendor’s production would be delayed or suspended, which could adversely affect our products commercialization efforts. In the event that any of our third-party vendors were to become unable or unwilling to continue to provide the products in our required volumes, we would need to identify and obtain acceptable replacement sources on a timely basis. There is no guarantee that we would be able to obtain such alternative sources of supply on a timely basis, if at all. An extended interruption in the supply of our products, especially any high sales volume product, could have a material adverse effect on our results of operations.

- 3. The availability of look-alikes, counterfeit healthcare devices, primarily in our domestic market, of the products marketed and distributed by us or our manufactured by our suppliers and passed off as our products/ products marketed by us, could adversely affect our goodwill and results of operations.**

We are exposed to the risk that entities in India and elsewhere could pass off their products as ours by imitating our brand name, packaging material and attempting to create counterfeit healthcare devices, including spurious or pirated products. For example, certain entities could imitate our brand name, packaging material or attempt to create lookalike products. Similarly, we may be unable to protect our trade secrets, including product specifications, which if obtained by counterfeiters, could be used to create products that are substantially similar to ours. As a result, our market share could be reduced due to replacement of demand for our products and adversely affect our goodwill. The proliferation of counterfeit and pirated products, and the time and attention lost to defending claims and complaints about counterfeit products could have an adverse effect on our goodwill and our business, prospects, results of operations and financial condition could suffer.

**4. Substantial portion of our revenues has been dependent upon limited number of customers.**

Revenue from our top 10 customers constituted 86.17%, 92.87%, 87.37% and 91.40% of our revenue from operations for the financial years March 31, 2022; March 31, 2021; March 31, 2020 and March 31, 2019 respectively. We do not have firm commitment supply agreements with most of our customers and instead rely on purchase orders to govern the volume and other terms of our sales of products. The loss of any significant client would have a material effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients or that we will be able to replace these clients in case we lose any of them. While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

**5. We have not entered into long-term contracts with our major customers and typically operate on the basis of purchase orders, which could adversely impact our revenues and profitability.**

We generate sales generally by our continuing relationships with our customers as we do not enter in any long-term contract with our customers. We manage a wide range portfolio of products which are being sold under our registered brand name “QDevices” and are also sold under the brand name of the manufacturers.

Our existing client relationships help us to get repeat business from our customers. This has helped us maintain a long term working relationship with our customers and improve our customer retention strategy. Through these efforts, we aim to become the “first choice vendor” for all large and small pharmaceutical and medical companies which intend to procure products and services we offer. We combine our expertise with an understanding of the healthcare market developed through market feedback and extensive interaction with various companies. We constantly try to address customer needs with a variety of products.

However, any change in the buying pattern of our end users or disassociation of major customers can adversely affect our business. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations. Although we believe that we have satisfactory business relations with our customers and have received continued business from them in the past, there is no certainty that the same will continue in the years to come and may affect our profitability.

**6. Introduction of alternative pharmaceutical products caused by changes in technology or consumer needs may affect demand for our existing products which may adversely affect our financial results and business prospects.**

Our business is affected by change in technology, consumer needs, market perception of brand, convenience, health and safety norms. Our ability or our suppliers ability to anticipate such changes and to continuously develop and introduce new and enhanced products successfully on a timely basis will be a key factor in our growth and business prospects. There can be no assurance that we/ our suppliers will be able to keep pace with the technological advances that may be necessary for us/ them to remain competitive. Further, any substantial change in preference of consumers who are end users of our products will affect our customers businesses and, in turn, will affect the demand for our products. Any failure to forecast and/or meet the changing demands of pharmaceutical businesses and consumer needs may have an adverse effect on our business, profitability and growth prospects.

Additionally, our operating results and competitive position depend substantially upon our ability to continuously develop, introduce and market new and innovative products, services and platforms under our brand name “Q-Devices”, to customize products and services and to anticipate and respond to market and technological changes driven by trends such as increased digitization or automation. A failure to adequately market-based or to accurately forecast customer demand and industry trends, may adversely affect our delivery of products, services and outcomes in line with our projected financial performance or cost estimates and ultimately may result in excess costs, build-up of inventory that becomes obsolete, lower profit margins and an erosion of our competitive position.

**7. The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.**

In the first half of 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may continue to have, repercussions across local, national and global economies and financial

markets. In particular, a number of governments and organizations have revised GDP growth forecasts for 2020 downward in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the COVID-19 pandemic will cause a prolonged global economic crisis or recession. In order to contain the spread of COVID-19 virus, the Government of India initially announced a 21-day lockdown on March 24, 2020, which, after being subject to successive extensions, is being relaxed currently. During the duration of the lockdown, there were several restrictions in place including travel restrictions and directive to all citizens to not move out of their respective houses unless essential. Whilst the lockdown required private, commercial and industrial establishments to remain closed, manufacturing units of essential commodities were permitted to be functional.

Since the onset of the COVID-19 pandemic in March 2020, our Company has responded swiftly by implementing various processes to ensure our operations continue seamlessly. As we are engaged in marketing of medical equipment and devices, which helps the user to monitor their health from their home, our products such as oximeter, gluco meter, oxygen concentrator, nebulizer, BP monitor and medical consumables like personal protection kits, disinfection products were categorized under the essential goods' and our operations were not shut down during this pandemic. Further, these products also helped the user from visiting the hospitals during the lockdown. However, due to limited availability of logistics and supply chain constraints, we were impacted during the initial period of the lockdown. We continued our operation after making arrangements to meet the government's requirements on sanitization, people movement and social distancing. Home healthcare helps reduce hospital visits, thereby reducing hospital induced infections. While the effort to reduce hospital acquired infections is a continual battle, the raging COVID-19 pandemic and fear of infection has pushed people towards virtual visits and home health products where hospitalization was not necessary e.g. digital blood pressure monitors, nebulizers, thermometers etc.

Further, our ability to ensure the safety of our workforce and continuity of operations while confirming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID- 19, it may potentially affect our operations. Further, in the event any of our employees contract COVID-19, we may be required to quarantine our employees and shut down a part of or the entire manufacturing facility or our offices and branches, as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facility, offices, loss of life, injuries and impact the well-being of our employees.

The ultimate impact will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in India and globally, the eventual level of infections in India or in the regions in which we operate, and the impact of any actions taken by governmental bodies or health organisations (whether mandatory or advisory) to combat the spread of the virus. These risks could have an adverse effect on our business, results of operations, cash flows and financial condition. To the extent that the COVID- 19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section.

***8. Our operations are subject to high working capital requirements. Our inability to maintain an optimal level of working capital required for our business may impact our operations adversely.***

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors and inventories. Our, Trade Receivables for the financial years March 31, 2022, March 31, 2021 and March 31, 2020 were ₹ 4204.46 lakhs, ₹ 2298.18 lakhs and ₹ 1121.23 lakhs respectively and our inventories for the financial years March 31, 2022, March 31, 2021 and March 31, 2020 were ₹ 2425.46 lakhs, ₹ 2030.83 lakhs and ₹ 1569.47 lakhs respectively.

The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the terms and conditions with our customers, it may lead to write-offs bad debts and/ or delay in recoveries which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. In the event we are not able to recover our dues from our trade receivables or sell our inventory, we may not be able to maintain our Sales level and thus adversely affecting our financial health.

- 9. *Our Promoter and Managing Director, Mahesh Makhija plays key role in our functioning and we heavily rely on his knowledge and experience in operating our business and therefore, it is critical for our business that our Promoter remain associated with us. Our success is also depends on our key managerial personnel and our ability to attract and retain them. Any loss of our key person could adversely affect our business, operations and financial condition.***

The success of our business operations is attributable to our Promoter and Directors and the key managerial team. We believe that our relation with our Promoter, who has rich experience in markets, managing customers and handling overall businesses, has enabled us to experience growth and profitability. Our Promoter, Mahesh Makhija has industry experience of around 28 years. He has been actively involved in the day to day operations and management since the incorporation of the Company. Further, our Promoter/ Directors have also promoted other companies/ firms/ ventures and may continue to do so. If they divert their attention to the other companies, we may not be able to function as efficiently and profitably as before. We may have to incur additional costs to replace the services of our Promoter or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. The loss of service of the Promoter and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section “Our Management” on page 81 of this Prospectus.

- 10. *Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.***

Our business operations require us to obtain and renew from time to time, certain approvals, licenses, registrations and permits, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. We will be applying for certain approvals relating to our business. If we fail to maintain such registrations and licenses or comply with applicable conditions, or a regulatory authority claims we have not complied, with these conditions, our certificate of registration for carrying on a particular activity may be suspended and/or cancelled and we will not then be able to carry on such activity. This could materially and adversely affect our business, financial condition, and results of operations. We cannot assure you that we will be able to obtain approvals in respect of such applications or any application made by us in the future. For more information about the licenses required in our business and the licenses and approvals applied for, please refer “Government and Other Approvals” on page 134 of this Prospectus, respectively.

- 11. *Because we operate in a highly competitive industry, our revenues, profits or market share could be harmed if we are unable to compete effectively.***

The segments of the industry in which we operate are subject to intense competition. Our principal competitors are other manufacturers or suppliers of the similar products we market or distribute, including other major manufacturers with well established and recognized brands. We also compete against smaller traders and independent and local suppliers and operators. If we are unable to compete successfully, our revenues or profits may decline or our ability to maintain or increase our market share may be diminished.

We compete primarily on brand name recognition and reputation, customer satisfaction, quality of service etc. Some of our competitors are larger than we are in terms of size of operations and our competitors may also have greater financial and marketing resources than we do, which could allow them to improve their properties and expand and improve their marketing efforts in ways that could affect our ability to compete for guests effectively. In addition, industry consolidation may exacerbate these risks.

- 12. *Operational risks are inherent in our business as it includes rendering products and services at high quality standards. A failure to manage such risks could have an adverse impact on our business, results of operations and financial condition.***

Certain operational risks are inherent in our businesses due to the nature of the industry in which we operate. Our operations are subject to various operating and business risks. Our products require proper packaging and labelling and the careful and hygienic handling of products, which if improperly packaged or handled may have an adverse impact on the health of the end users. Consequently, our business is associated with certain safety, privacy and public health concerns. Failure to effectively implement our corporate, crisis response, training and management policies and protocols and to adequately address and manage risks inherent in our business, or a failure to meet the requirements of our guests, or a failure to develop



effective risk mitigation measures, could have an adverse effect on our reputation, guest loyalty and consequently, our business, results of operations and financial condition.

**13. *We could become liable to customers, suffer adverse publicity and incur substantial costs as a result of deficiency 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 deficiency in the medical and healthcare devices or products marketed and distributed by us could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. 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 any mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations.

**14. *Our funding requirements and deployment of the Offer Proceeds are based on management estimates and have not been independently appraised by any bank or financial institution.***

Our funding requirements and the deployment of the proceeds of the Offer are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by bank or financial institution and are based on our estimates. In view of the competitive and dynamic nature of our business, we may have to revise our expenditure and fund requirements as a result of variations including in the cost structure, changes in estimates and other external factors, which may not be within the control of our management. This may entail rescheduling, revising, or cancelling the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our board. In addition, schedule of implementation as described herein are based on management's current expectations and are subject to change due to various factors some of which may not be in our control.

**15. *Our Promoter Group Entities have objects similar to our Company. There are no non-compete agreements between our Company and such Promoter Group Entities. We cannot assure that our Promoter will not favor the interests of such entity over our interest or that the said entities will not expand which may increase our competition and may adversely affect business operations and financial condition of our Company.***

Our Promoter Group Entities namely, Queens Marketing Services and UMC Medical Allied Services Private Limited have objects similar to our Company. We have not entered into any non-compete agreement with the said entities. We cannot assure that our Promoter/ Promoter Group who has common interest in said entities will not favour the interest of the said entity. As a result, conflicts of interests can arise on account of common suppliers/ customers and in allocating business opportunities amongst our Company and our Promoter Group entity in circumstances where our respective interests diverge. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

**16. *We are subject to risks arising from interest rate fluctuations, which could adversely affect our results of operations, planned expenditures and cash flows.***

As of March 31, 2022, a part of our indebtedness was at floating interest rates. If the interest rates of our existing or future borrowings increase significantly, our cost of funds will increase. A further increase in interest rates (or the current high interest rate environment not changing) may have an adverse effect on our results of operations and financial condition. While we could consider refinancing the loan or hedging interest rate risks in appropriate cases, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks. Further, if such arrangements do not protect us adequately against interest rate risks, they would result in higher costs.

**17. *We have referred to the data derived from internal Company reports and industry and government publications, publicly available information, and sources.***

Unless stated otherwise, industry and market data used throughout this Prospectus has been obtained or derived from internal Company reports and industry and government publications, publicly available information, and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, our Company believes that industry data used in this Prospectus is reliable, it has not been independently verified. Further,

the extent to which the industry and market data presented in this Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

**18. Our business is geographically located in one area, Mumbai, Maharashtra. Any loss or shutdown of operations at any of our facilities in this area may have an adverse effect on our business and results of operations.**

Majority of our business is based in Mumbai, Maharashtra. This concentration of our business in Mumbai Metropolitan Region, subjects us to various risks, including but not limited to the following risks:

- regional natural disasters;
- vulnerability to change of policies, laws and regulations or the political and economic environment of Western Indian and mainly Mumbai;
- constraints on our ability to diversify across states;
- perception by our potential clients, that we are a regional advertising and marketing company, which hampers us from competing against other large companies at a national level.

Further, any political disruptions, natural calamities or civil disruptions, opposition and protests, particularly in locations where we operate, could adversely affect our business operations or strategy. There is no assurance that such disruption in business operations would not bring any hindrance in the functioning of our manufacturing Units. Consequently, our business, results of operations, cash flows and financial condition have been and will continue to be heavily dependent on the performance of, and the prevailing conditions affecting the advertising and marketing industry and overall economy in Mumbai and Maharashtra.

**19. Our inability to manage growth could disrupt our business and reduce our profitability.**

A principal component of our strategy is to continue to grow by expanding the size and geographical scope of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial, and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values, and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition, and adversely affect our results of operations.

**20. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Offer. Further we have not identified any alternate source of financing the 'Objects of the Offer'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations, and financial performance.**

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Offer. We meet our capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Offer or any shortfall in the Offer Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled "Objects of the Offer" beginning on page 52 of the Prospectus.

**21. We do not own our Registered Office and corporate office from which we operate.**

Our Company's registered office is situated at A1 A2/ B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055. Office No. A2 and B2 are owned by our Company, while Office No. A1 and B1 are owned by Guddi Makhija & Mahesh Makhija- Our Promoter and Promoter Group. We do not own part of the premises on which our Registered Office is situated. Our Company has taken part of the registered office i.e. Office No. A1 and B1 on leave & license basis from Mahesh Makhija and Guddi Makhija our promoter and Director. However, there can be no assurance that our Company will be able to successfully renew the above leave and license agreement in a timely manner or at all and that we may be continue to use the office in case of no formal agreements. Further there can be no assurance that we will not face any disruption of our rights as a licensee and that such leave and license agreement will not be terminated prematurely by the licensor. Any such non-renewal or early termination or any disruption of our rights as licensee may require us to vacate the premises and relocate to a new premises on terms that

may not be favourable to us thereby adversely affecting our business, financial conditions and results of operations. If the owner of the premises, revoke this agreement or impose terms and conditions that are unfavorable to us, we may suffer a disruption in our operations or have to pay increased rent, which could have a material adverse effect on our business, prospects, results of operations and financial condition. For further details of our office premises please refer to the section titled "Our Business" on pages 68 of the Prospectus.

**22. *Certain filings of our Company under the Companies Act have been filed post the prescribed date of filing. Further, certain filing related to Allotment of Shares are not available on ROC and also in company's records. There may also be certain inadvertent errors in these filings.***

Certain filings of our Company under the Companies Act, including those in relation to Offer and allotment of Equity Shares, changes in our management, annual filings such other filings have been filed post the prescribed date of filing under the Companies Act. Our Company in few instances has paid the additional fees for the delayed filings and the forms have been adequately approved by the RoC. We have not come across any errors in secretarial records and compliances till date and we have not received any communication from RoC or any other regulatory authority in this regard. Further to improve our secretarial compliances we have appointed Ms. Toral Jailesh Bhadra as Company Secretary and Compliance Officer. There may also be instances where there are inadvertent errors in secretarial records and filings which have not been rectified by us. We cannot assure you that these filings and errors will not be subject to any penalties imposed by the relevant authority in this respect.

**23. *Our results of operations are likely to vary from year to year and be unpredictable, which could cause the market price of the Equity Shares to be volatile.***

Our results of operations in any given year can be influenced by a number of factors, many of which are outside of our control and may be difficult to predict, including:

- maintaining high levels of customer satisfaction;
- costs relating to our operations;
- adhering to our high quality and process execution standards;
- pricing policies introduced by our competitors;
- the timing and nature of, and expenses incurred in, our marketing efforts;
- recruiting, training, and retaining sufficient skilled technical and management personnel;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems;

Also, please refer "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 122 for details on the factors affecting our financial results. All of these factors, in combination or alone could negatively impact our revenues and may cause significant fluctuations in our results of operations. This variability and unpredictability could materially and adversely affect our results of operations and financial condition.

**24. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

We have entered into related party transactions with our Promoters, Promoter Group, Group Entities and Directors. For details of these transactions, please refer "Related Party Transactions" on page 98.

We cannot assure you that we will be able to maintain the terms of such transactions or in the event that we enter future transactions with related parties, that the terms of the transactions will be favourable to us. Additionally, while it is our belief that all our related party transactions have been conducted on an arm's-length basis, we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties. We may also enter related party transactions in the future, which could involve conflicts of interest, although going forward, all related party transactions that we may enter will be subject to audit committee or board or shareholder approval, as applicable, as under the Companies Act, 2013 and the SEBI (LODR) Regulations. As such, we can provide no assurance that these transactions will not adversely affect our business, results of operation, cash flows and financial condition.

**25. *Any variation in the utilization of the Net Proceeds as disclosed in this Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.***

In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Prospectus without obtaining the shareholders' approval through a special resolution. In the

event of any such circumstances that requires us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Offer as prescribed in the SEBI (ICDR) Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition, and may adversely affect our business and results of operations.

**26. Our Company's management will have flexibility in utilizing the Net Proceeds. There is no monitoring agency appointed by our Company and the deployment of funds is at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.**

The deployment of the funds towards the objects of the Offer is entirely at the discretion of the Board of Directors/Management and is not subject to monitoring by external independent agency. As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Offer size above ₹ 10,000.00 lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Offer Proceeds. However, the audit committee of our Board will monitor the utilization of Offer Proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Offer Proceeds to NSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public. Any inability on our part to effectively utilize the Offer Proceeds could adversely affect our financials.

**27. We have experienced negative cash flows in the past. Any such negative cash flows in the future could adversely affect our business, results of operations and prospects.**

The following table sets forth our cash flow for the periods indicated:

Particulars	(₹ in lakhs)		
	Fiscal 2022	Fiscal 2021	Fiscal 2020
Net Cash from Operating Activities	(1226.27)	187.50	(237.45)
Net cash from Investing Activities	279.37	(783.78)	(362.62)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Such negative cash flows lead to a net decrease in cash and cash equivalents. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares. For further details, please refer "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 100 and 122, respectively.

**28. Our group company had incurred losses in the past and has negative net worth, which may have adverse effect on our reputation and business.**

Our Group Company, Queen's Promotional Services Private Limited (QPSPL) had incurred losses in the preceding financial years and has negative net worth based on the last three year's available audited financial statements, details of which are as given below:

Particulars	Fiscal 2021	Fiscal 2020
Profit / Loss After Tax	(0.13)	(0.23)
Net Worth	(35.07)	(34.95)

**29. Our Company has availed certain unsecured loans that are callable by the lenders at any time.**

As on March 31, 2022, our Company has availed certain unsecured loans from Directors that are callable on demand by our lenders. The total amount of outstanding as on March 31, 2022 is ₹59.16 Lakhs. For further details of these unsecured loans, refer "Financial Indebtedness" on page 130. In case of any demand from our lenders for repayment of such unsecured loans, the resultant cash outgo, may adversely affect our business operations and financial position of our Company.

**30. We have not made any dividend payments in the past and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.**


In the past, we have not made dividend payments to the shareholders of our Company. The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors. For further details, see “Dividend Policy” on page 99.

**31. Our Promoters and members of the Promoter Group will continue to jointly retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.**

After the completion of this IPO, our Promoter and promoter group will beneficially own approximately 73.67% of our post-Issue equity share capital. As a result, the Promoters and Promoter Group may have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company’s best interest. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

**32. Our Company has not registered the trademark. Our ability to use the trademark may be impaired if the same is not registered under our name.**



As on the date of the Prospectus, our logo “” is registered under Class 41 with the Registrar of Trademarks in the name of Mahesh Makhija, the Promoter of the Company. He has permitted the Company to utilize the above trademark on non-exclusive basis under the no-objection letter dated May 10, 2019. However, no formal agreement fixing the terms and conditions of such user has been executed. There can be no assurance that the Promoter will not revoke the said no-objection letter, and in turn the usage of the above trademark by the Company. There can be no assurance that third parties will not infringe our intellectual property, causing damage to our reputation. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome thereof cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property. For further details pertaining to our intellectual property, please refer to the chapter titled “Our Business” beginning on page 68 of this Prospectus respectively.

**33. Our financing agreements contain covenants that limit our flexibility in operating our business. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.**

As of March 31, 2022, our total outstanding indebtedness was ₹ 3197.65 lakhs (including both short term and long term borrowings). Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our businesses. Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We are required to obtain prior approval from our lenders for, among other things:

- alteration of the capital structure of our Company and certain Subsidiaries, if any, in any manner;
- undertaking any term loans borrowings;
- making changes to our management set up;
- making any change in ownership and shareholding pattern, including effecting any change in our actual and beneficial ownership or control, of our Company and certain Subsidiaries;
- making any investment in group companies, joint ventures or associates;
- effecting any amalgamation, merger, reconstruction, takeover or consolidation in relation to our Company and certain Subsidiaries;

- amending the memorandum and articles of association of our Company and certain Subsidiaries;
- concluding any fresh borrowing arrangements, either secured or unsecured, with any other lender;
- creation of further charge, lien or encumbrance on assets hypothecated with our lenders;
- effecting any material change in the management of our business or our operating structure;
- undertaking new projects or implementing any scheme of expansion or acquiring fixed assets;
- making any investment by way of subscription to share capital of, and loans, deposits or advances to, any other entity (including our group companies and associate companies);
- undertaking guarantee obligations on behalf of any other lender or any third party;
- declaring dividends; and
- effecting any repayment of loans and deposits and discharging other liabilities except those shown in the fund flow statements submitted to our lenders from time to time.

We are required to obtain the consents of the lenders under our financing agreements before undertaking these significant corporate actions. We cannot assure you that the lenders will grant the required approvals in a timely manner, or at all. The time required to secure consents may hinder us from taking advantage of a dynamic market environment. In addition to the restrictions listed above, we are required to maintain certain financial ratios under our financing agreements. These financial ratios and the restrictive provisions could limit our flexibility to engage in certain business transactions or activities. Additionally, our financing agreements are secured by our movable, immovable or intangible assets (whether existing or future), goods and work-in-progress (whether existing or future) and by personal guarantees of our Promoter. Such financing agreements enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, ownership interest of the existing shareholders in our Company will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost. If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

***34. Our Promoter and members of Promoter Group have mortgaged their personal properties and provided personal guarantees for our borrowings to secure our loans. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoter and members of Promoter Group in connection with our Company's borrowings.***

Our Promoter and Managing Director, and our Promoter Group have mortgaged their personal properties and provided personal guarantees for our borrowings to secure our loans. If any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoter and Promoter Group in connection with our Company's borrowings.

***35. Our insurance coverage may not adequately protect us against all material hazards and the policies do not cover all risks. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.***

Our business could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. We maintain insurance for burglary policy and standard fire and special perils policy, which provides insurance cover against loss or damage by fire, earthquake, terrorism etc. and also, which we believe, is in accordance with customary industry practices. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. Further, with respect to the insurances maintained by us, we cannot assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected.

**36. Our Company will not receive any proceeds from the Offer for Sale portion.**

This Issue comprises of an offer for sale of 19,00,000 Equity Shares at the Offer Price of ₹121 each aggregating ₹ 2,299.00 Lakhs by our Promoter selling Shareholder, Mahesh Makhija. The proceeds from the Offer pertaining to the above sale shares will be paid to the Promoter selling Shareholder and our Company will not receive any proceeds from the Offer for sale portion. For further details, please refer the chapter titled “Objects of the Offer” on page 52 of this Prospectus.

**37. The requirements of being a listed company may strain our resources.**

We have no experience as a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance, and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI (LODR) Regulations, which require us to file audited / unaudited reports periodically with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies.

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, for which significant resources and management overview will be required. As a result, management’s attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition, and results of operations. Further, we may need to hire additional legal and accounting staff with appropriate and relevant experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner or at all.

**EXTERNAL RISKS**

**38. Any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, cash flows and financial condition.**

India is our key market. For Fiscal 2021, entire of our Company’s revenue from operations was from India. In addition, an increase in India’s trade deficit, a downgrading in India’s sovereign debt rating or a decline in India’s foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and our business, results of operations, cash flows and financial condition.

**39. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.**

Our business is subject to various laws and regulations, which are evolving and subject to change. For details, see “Key Industrial Regulations and Policies in India” on page 75. We are also subject to corporate, taxation and other laws in effect in India, which require continued monitoring and compliance. These laws and regulations and the way in which they are implemented and enforced may change. There can be no assurance that future legislative or regulatory changes will not have any adverse effect on our business, results of operations, cash flows and financial condition.

**40. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.**

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India, or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

**41. Significant differences exist between Ind AS and Indian GAAP and other accounting principles, such as IFRS and US GAAP, which may be material to investors’ assessments of our financial condition, result of operations and cash flows.**

Our financial statements for Fiscals 2019, 2018 and 2017 included in this Prospectus are prepared and presented in conformity with Indian GAAP and restated in accordance with the requirements the SEBI (ICDR) Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2016)” issued by the ICAI. Ind AS differs from Indian GAAP and other accounting principles with which prospective investors may be familiar in other countries, such as IFRS and U.S. GAAP. Accordingly, the degree to which the Financial Statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Persons not familiar with Indian accounting practices should limit their reliance on the financial disclosures presented in this Prospectus.

## **RISKS RELATING TO THE EQUITY SHARES AND THE OFFER**

### ***42. Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following the listing of our Equity Shares on the Stock Exchanges.***

There has been no public market for our Equity Shares prior to the Offer. The price may not necessarily be indicative of the market price of our Equity Shares after the Offer is completed. You may not be able to re-sell your Equity Shares at or above the Offer price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on Emerge Platform of NSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

The price at which our Equity Shares will trade at after the Offer will be determined by the marketplace and may be influenced by many factors, including:

- Our financial condition, results of operations and cash flows;
- The history of and prospects for our business;
- An assessment of our management, our past and present operations, and the prospects for as well as timing of our future revenues and cost structures; and
- The valuation of publicly traded companies that are engaged in business activities similar to ours;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts’ recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations, or capital commitments;
- announcements of significant claims or proceedings against us;
- new laws and government regulations that directly or indirectly affect our business;
- additions or departures of Key Management Personnel;
- changes in the interest rates;
- fluctuations in stock market prices and volume; and general economic conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in our Equity Shares may experience a decrease in the value of our Equity Shares regardless of our financial performance or prospects.

### ***43. Any future issuance of Equity Shares by us or sales of Equity Shares by the Promoters could adversely affect the trading price of our Equity Shares and in the case of the issuance of Equity Shares by us result in the dilution of our then current shareholders.***

As disclosed in “Capital Structure” on page 43, an aggregate of 20% of our fully diluted post-Offer capital held by our Promoters shall be considered as minimum Promoters’ contribution and locked in for a period of three years and the balance Equity Shares held by the Promoters will be locked-in for one year from the date of Allotment. Except for the customary lock-in on our ability to issue equity or equity-linked securities discussed in “Capital Structure” on page 43, there is no restriction on our ability to issue Equity Shares. As such, there can be no assurance that our Company will not issue additional Equity Shares after the lock-in period expires or that the Promoters will not sell, pledge or encumber their Equity



Shares after the lock-in periods expire. Future issuances of Equity Shares or convertible securities and the sale of the underlying Equity Shares could dilute the holdings of our Shareholders and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the then trading price of our Equity Shares or the Issue Price. Sales of Equity Shares by the Promoters could also adversely affect the trading price of our Equity Shares.

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

Previously, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long term capital gains tax in India if Securities Transaction Tax (“STT”) was paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of Equity Shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

**45. QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.**

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting an application. Retail Individual Bidders can revise their applications during the Offer Period and withdraw their applications until Offer Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Offer within six Working Days from the Offer Closing Date, events affecting the Bidders’ decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows and financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur and such events may limit the Bidders’ ability to sell our Equity Shares Allotted pursuant to the Offer or may cause the trading price of our Equity Shares to decline on listing.

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

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors’ reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders’ equity, and the price of our Equity Shares.

Our performance, growth and market price of our Equity Shares are and will be dependent on the health of the Indian economy. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional, and global economies. India’s economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown

in the Indian economy could harm our business, results of operations, cash flows and financial condition. Also, a change in the Government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

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

Our business and financial performance could be adversely affected by any change in laws or interpretations of existing laws, or the promulgation of new laws, rules and regulations applicable to us and our business including those relating to the industry in which we operate. There can be no assurance that the Government of India or state governments will not introduce new laws, regulations and policies which will require us to obtain additional approvals and licenses or impose onerous requirements on our business.

For example, the new Companies Act, 2013 contains significant changes to Indian company law, including in relation to the issue of capital by companies, disclosures in offer documents, related party transactions, corporate governance, audit matters, internal controls, shareholder class actions, restrictions on the number of layers of subsidiaries, prohibitions on loans to directors, insider trading and restrictions on directors and key management personnel from engaging in forward dealing. Moreover, effective April 1, 2014, companies exceeding certain net worth, revenue or profit thresholds are required to spend at least 2% of average net profits from the immediately preceding three financial years on corporate social responsibility projects, failing which an explanation is required to be provided in such companies' annual reports.

The Ministry of Finance has issued a notification dated March 31, 2015 notifying ICDS which creates a new framework for the computation of taxable income. Subsequently, the Ministry of Finance, through a press release dated July 6, 2016, deferred the applicability of ICDS from April 1, 2015 to April 1, 2016 and is applicable from FY 2017 onwards and will have impact on computation of taxable income for FY 2017 onwards. ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. Such specific standards for computation of income taxes in India are relatively new, and the impact of the ICDS on our results of operations and financial condition is uncertain. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition going forward.

The Government of India has recently approved the adoption of a comprehensive national goods and services tax (“GST”) regime that will combine taxes and levies by the Central and State Governments into a unified rate structure, with effect from July 1, 2017. Given the limited availability of information in the public domain concerning the GST, we cannot provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, because of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

We have not determined the effect of such legislations on our business. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

**48. *Investors may have difficulty enforcing foreign judgments against us or our management.***

We are a limited liability company incorporated under the laws of India. All our directors and executive officers are residents of India and all our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908 (“CPC”) on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record.

However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalty.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

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

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Emerge Platform of NSE may not develop or be sustained after the Offer. Our Company and the Lead Manager have appointed Rikhav Securities Limited as Designated Market Maker for the Equity Shares of our Company. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in the Emerge Platform of NSE, securities markets in other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

## SECTION IV – INTRODUCTION

## THE OFFER

Following table summarises the present Offer in terms of this Prospectus:

Particulars	Details of Equity Shares
<b>Offer of Equity Shares #</b>	<b>Offer of 47,00,000 Equity Shares having face value of ₹10.00 each at a price of ₹121.00 per Equity Share (including a share premium of ₹111.00 per Equity share) aggregating ₹5,687.00 lakhs</b>
<b>Of which:</b>	
<b>Fresh Issue</b>	28,00,000 Equity Shares having face value of ₹10.00 each at a price of ₹121.00 per Equity Share (including a share premium of ₹111.00 per Equity share) aggregating ₹3,388.00 lakhs
<b>Offer for Sale</b>	19,00,000 Equity Shares having face value of ₹10.00 each at a price of ₹121.00 per Equity Share (including a share premium of ₹111.00 per Equity share) aggregating ₹2,299.00 lakhs
<b>The Offer Comprises:</b>	
Market Maker Reservation Portion	Offer of 2,36,000 Equity Shares having face value of ₹10.00 each at a price of ₹121.00 per Equity Share aggregating ₹285.56 lakhs
Net Offer to the Public*	Offer of 44,64,000 Equity Shares having face value of ₹10.00 each at a price of ₹121.00 per Equity Share aggregating ₹5,401.44 lakhs
	<b>Of which:</b>
	22,32,000 Equity Shares having face value of ₹10.00 each at a price of ₹121.00 per Equity Share aggregating ₹2700.72 lakhs will be available for allocation to Retail Individual Investors
	22,32,000 Equity Shares having face value of ₹10.00 each at a price of ₹121.00 per Equity Share aggregating ₹2700.72 lakhs will be available for allocation to other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.
<b>Pre and Post Offer Share Capital of our Company</b>	
Equity Shares outstanding prior to the Offer	1,50,50,000 Equity Shares
Equity Shares outstanding after the Offer	1,78,50,000 Equity Shares
Objects of the Offer	Please refer “ <i>Objects of the Offer</i> ” on page 52.

# Public offer of 47,00,000 Equity Shares of ₹10.00 each for cash at a price of ₹121.00 per Equity Share of our Company aggregating to ₹5687.00 lakhs is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details see ‘Terms of the Offer’ on page 149.

The offer has been authorised by our Board pursuant to a resolution dated April 26, 2022, and by our Equity Shareholders pursuant to a resolution passed at the extraordinary general meeting held on May 12, 2022.

\*As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present Offer is a fixed price offer the allocation in the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to:
  - i. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

*If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.*

**SUMMARY FINANCIAL INFORMATION**

Annexure I

**STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**

(₹ in Lakhs)

Particulars	Note No.	31.03.22	31.03.21	31.03.20
<b>Equity &amp; Liabilities</b>				
<b>Shareholders Fund</b>				
Share capital	I.1	376.25	376.25	301.00
Reserves and surplus	I.2	2,726.72	1,656.08	639.58
<b>Total Shareholder's Fund</b>		<b>3,102.97</b>	<b>2,032.33</b>	<b>940.58</b>
<b>Non Current Liabilities</b>				
Long Term Borrowings	I.3	197.32	105.07	0.00
Long term provisions		0.00	0.00	0.00
Deferred Tax Liabilities (Net)	I.4	25.53	5.43	0.00
<b>Total Current Liabilities</b>		<b>222.85</b>	<b>110.50</b>	<b>0.00</b>
<b>Current Liabilities</b>				
Short Term Borrowings	I.5	3,000.33	1,855.27	1,160.42
Trade Payables	I.6	1,690.83	1,819.13	1,136.99
Other Current Liabilities	I.7	188.22	94.93	47.38
Short Term Provisions	I.8	61.33	125.27	62.63
<b>Total Current Liabilities</b>		<b>4,940.71</b>	<b>3,894.60</b>	<b>2,407.42</b>
<b>Total Equity &amp; Liability</b>		<b>8,266.53</b>	<b>6,037.43</b>	<b>3,348.00</b>
<b>Non-Current Assets</b>				
a) Plant,Property and Equipment & Intangible Assets				
Plant,Property and Equipment	I.9	794.87	1,002.22	312.46
Intangible Assets	I.9	2.36	15.28	11.52
<b>Total Fixed Assets (a)</b>		<b>797.23</b>	<b>1,017.50</b>	<b>323.98</b>
b) Non Current Investments		0.00	0.00	0.00
c) Long Term Loans and Advances		0.00	0.00	0.00
d) Other Non Current Assets	I.10	43.11	40.92	18.53
e) Deferred Tax Assets (Net)	I.4	0.00	0.00	0.37
<b>Total Non Current Assets</b>		<b>840.34</b>	<b>1,058.42</b>	<b>342.88</b>
<b>Current assets</b>				
Current Investments		0.00	0.00	0.00
Inventories	I.11	2,425.46	2,030.83	1,569.47
Trade Receivables	I.12	4,204.46	2,298.18	1,121.23
Cash and Cash Equivalent balances	I.13	216.33	138.18	65.53
Short Term Loans and advances	I.14	113.39	14.02	22.47
Other Current Assets	I.15	466.55	497.80	226.42
<b>Total Current Assets</b>		<b>7,426.19</b>	<b>4,979.01</b>	<b>3,005.12</b>
<b>Total Assets</b>		<b>8,266.53</b>	<b>6,037.43</b>	<b>3,348.00</b>

## Annexure II

## STATEMENT OF PROFIT &amp; LOSS AS RESTATED

(₹ in Lakhs)

Particulars	Note No.	31.03.22	31.03.21	31.03.20
<b>Income</b>				
Revenue from Operations	II.1	14,632.29	12,203.36	7,273.96
Other Income	II.2	142.48	5.64	3.85
<b>Total Revenue</b>		<b>14,774.77</b>	<b>12,209.00</b>	<b>7,277.81</b>
<b>Expenditure</b>				
Cost of Materials Consumed	-	0.00	0.00	0.00
Purchase of Stock in Trade	II.3	11,438.18	9,501.86	5,976.80
Changes in Inventory	II.4	-394.64	-461.36	-674.02
Employee Benefit Expenses	II.5	466.63	238.10	160.91
Other Expenses	II.6	1,490.34	1,235.27	852.91
<b>Total (B)</b>		<b>13,000.51</b>	<b>10,513.87</b>	<b>6,316.60</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>1,774.26</b>	<b>1,695.13</b>	<b>961.21</b>
Depreciation and Amortisation Expenses	I.9	116.26	73.50	35.80
<b>Profit Before Interest and Tax</b>		<b>1,658.00</b>	<b>1,621.63</b>	<b>925.41</b>
Financial Charges	II.7	212.26	130.99	53.32
<b>Profit before Taxation</b>		<b>1,445.74</b>	<b>1,490.64</b>	<b>872.09</b>
Provision for Current Tax		355.00	393.10	236.93
Provision for Deferred Tax		20.10	5.79	-0.19
<b>Total Taxes</b>		<b>375.10</b>	<b>398.89</b>	<b>236.74</b>
<b>Profit After Tax but Before Extra ordinary Items</b>		<b>1,070.64</b>	<b>1,091.75</b>	<b>635.35</b>
Extraordinary Items		0.00	0.00	0.00
Prior Period Items		0.00	0.00	0.00
<b>Net Profit after adjustments</b>		<b>1,070.64</b>	<b>1,091.75</b>	<b>635.35</b>
<b>Net Profit Transferred to Balance Sheet</b>		<b>1,070.64</b>	<b>1,091.75</b>	<b>635.35</b>

## Annexure III

## STATEMENT OF CASH FLOWS AS RESTATED

(₹ in Lakhs)

PARTICULARS	31.03.22	31.03.21	31.03.20
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax	<b>1445.74</b>	<b>1490.64</b>	<b>872.09</b>
<i>Adjusted for :</i>			
a. Depreciation	116.26	73.50	35.80
b. Interest Expenses & Finance Cost	212.26	130.99	53.32
c. Interest & Other Income	(142.48)	(5.64)	(3.85)
d. Other Adjustment	(35.07)	0.02	0.00
<b>Operating profit before working capital changes</b>	<b>1596.71</b>	<b>1689.51</b>	<b>957.36</b>
<i>Adjusted for :</i>			
a. Decrease /(Increase) in Inventories	(394.63)	(461.36)	(674.03)
b. Decrease / ( Increase ) in trade receivable	(1906.28)	(1176.95)	(319.43)
c. Decrease / ( Increase ) in Current Investments	0.00	0.00	0.00
d. ( Increase ) / Decrease in short term loans and advances	(99.37)	8.45	(22.38)

e. Increase / ( Decrease ) in Trade Payables	(128.30)	682.14	260.66
f. Increase / (Decrease) in short term provisions	(63.94)	62.64	38.75
g. Increase / ( Decrease ) in other current liabilities	93.29	47.55	(80.50)
h. ( Increase ) / Decrease in Other Current Assets	31.25	(271.38)	(160.95)
<b>Cash generated from operations</b>	<b>(871.27)</b>	<b>580.60</b>	<b>(0.52)</b>
Income Tax Paid ( net of refunds )	355.00	393.10	236.93
<b>NET CASH GENERATED FROM OPERATION</b>	<b>(1226.27)</b>	<b>187.50</b>	<b>(237.45)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITES</b>			
a. (Purchase) / Sale of Fixed Assets	139.08	(767.03)	(347.94)
b.( Purchase) / Sale of non-current investment	0.00	0.00	0.00
c. ( Increase ) / Decrease in Long term loans and advances	0.00	0.00	0.00
d. Increase / ( Decrease ) in Long Term Provisions	0.00	0.00	0.00
e. ( Increase ) / Decrease in Other Non Current Assets	(2.19)	(22.39)	(18.53)
f. (Increase) in Misc. Expenses	0.00	0.00	0.00
g. Interest & Other Income	142.48	5.64	3.85
h. Dividend Income	0.00	0.00	0.00
<b>Net cash (used) in investing activities</b>	<b>279.37</b>	<b>(783.78)</b>	<b>(362.62)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITES</b>			
a. Interest & Finance Cost	(212.26)	(130.99)	(53.32)
b. Proceeds from share issued			
c. ( Repayments ) / proceeds of long term borrowings	92.25	105.07	0.00
d. ( Repayments ) / proceeds of short term borrowings	1145.06	694.85	705.13
<b>Net cash generated/(used) in financing activities</b>	<b>1025.05</b>	<b>668.93</b>	<b>651.81</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents</b>	<b>78.15</b>	<b>72.65</b>	<b>51.74</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>138.18</b>	<b>65.53</b>	<b>13.79</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>216.33</b>	<b>138.18</b>	<b>65.53</b>

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

## GENERAL INFORMATION

Our Company was incorporated as QMS Medical Allied Services Private Limited on September 14, 2017 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration number 299748. The status of the Company was changed to public limited and the name of our Company was changed to QMS Medical Allied Services Limited vide Special Resolution dated October 22, 2020. The fresh certificate of incorporation consequent to conversion was issued on November 06, 2020 by the Registrar of Companies, Mumbai.

<b>Company Identification Number</b>	U33309MH2017PLC299748
<b>Address of Registered office of Company</b>	A1 A2/B1 B2, Navkala Bharti Building, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055, Maharashtra, India
<b>Address of Registrar of Companies</b>	<b>Address:</b> Everest, 100, Marine Drive, Mumbai – 400002 <b>Tel No:</b> + 91 22 22812627/22020295/22846954 <b>Fax No:</b> +91 22 22811977
<b>Designated Stock Exchange</b>	National Stock Exchange of India Limited
<b>Listing of Shares offered in this Offer</b>	Emerge Platform of NSE
<b>Contact Person:</b>	<b>Toral Jailesh Bhadra, Company Secretary and Compliance Officer</b> A1 A2/B1 B2, Navkala Bharti Building, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055, Maharashtra, India Tel: +91 22 6288 1111 Fax: Not Available E-mail: contact@qmsmas.com Website: www.qmsmas.com

For details of the changes in our Name, Registered Office and other details, please refer “History and Certain Other Corporate Matters” on page 78.

### Our Board of Directors

Details regarding our Board of Directors as on the date of this Prospectus are set forth in the table hereunder:

Sr. No.	Name and Designation	PAN	DIN	Address
1.	<b>Mahesh Makhija</b> <i>Chairman &amp; Managing Director</i>	AACPM0118M	02700606	1101, Magnolia, 8 <sup>th</sup> Road, Near V N Desai Hospital, Golibar, Mumbai-400055, Maharashtra, India
2.	<b>Guddi Makhija</b> <i>Non executive Director</i>	AKCPM2562R	08837871	1101, Magnolia, 8 <sup>th</sup> Road, Near V N Desai Hospital, Golibar, Mumbai-400055, Maharashtra, India
3.	<b>Prajwal J. Poojari</b> <i>Independent Director</i>	ATNPP8261E	07480513	B-208, Saidham Building, Modi Patel Road, Bhayandar West - 401101, Maharashtra, India
4.	<b>Niken R. Shah</b> <i>Independent Director</i>	CJWPS0007G	07604022	36/1053 Saphalya Chs, Ghatkopar East, Pant Nagar S.O, Mumbai - 400075, Maharashtra, India

For detailed profile of our Managing Director and other Directors, please refer “Our Management” and “Our Promoters and Promoter Group” on page 81 and 92 respectively.



### **Company Secretary and Compliance Officer**

Our Company has appointed Toral Jailesh Bhadra, the Company Secretary of our Company, as the Compliance Officer, whose contact details are set forth hereunder.

#### **Toral Jailesh Bhadra**

A1 A2/B1 B2, Navkala Bharti Building,  
Plot No16, Prabhat Colony,  
Near Santacruz Bus Depot,  
Santacruz East,  
Mumbai-400055, Maharashtra, India  
Tel: +91 22 6288 1111  
Fax: Not Available  
E-mail: [contact@qmsmas.com](mailto:contact@qmsmas.com)  
Website: [www.qmsmas.com](http://www.qmsmas.com)

### **Chief Financial Officer**

Our Company has appointed Sejal Mhatre, as the Chief Financial Officer. His contact details are set forth hereunder.

#### **Sejal Mhatre**

A1 A2/B1 B2, Navkala Bharti Building,  
Plot No16, Prabhat Colony,  
Near Santacruz Bus Depot,  
Santacruz East,  
Mumbai-400055, Maharashtra, India  
Tel: +91 22 6288 1111  
Fax: Not Available  
E-mail: [sejal@qmsmas.com](mailto:sejal@qmsmas.com)  
Website: [www.qmsmas.com](http://www.qmsmas.com)

**Applicants can contact the Compliance Officer or the Lead Manager or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account and refund orders, etc. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the Lead Manager, who shall respond to the same.**

Applicants may contact the Lead Manager for complaints, information or clarifications pertaining to the Offer.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

### **Details of Key Intermediaries pertaining to this Offer of our Company:**

<b>Lead Manager of the Offer</b>	<b>Registrar to the Offer</b>
<b>FIRST OVERSEAS CAPITAL LIMITED</b> 1-2 Bhupen Chambers, Dalal Street, Fountain, Mumbai – 400 001, Maharashtra, India. <b>Tel No.:</b> +91 22 4050 9999 <b>Fax No.:</b> +91 22 4050 9900 <b>Email:</b> <a href="mailto:satish@focl.in">satish@focl.in</a> / <a href="mailto:mala@focl.in">mala@focl.in</a> <b>Investor Grievance Email:</b> <a href="mailto:investorcomplaints@focl.in">investorcomplaints@focl.in</a> <b>Website:</b> <a href="http://www.focl.in">www.focl.in</a> <b>SEBI Registration No:</b> INM000003671 <b>Contact Person:</b> Satish Sheth / Mala Soneji	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra, India. <b>Tel. No.:</b> +91 22 6263 8200 <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>SEBI Registration No.:</b> INR000001385 <b>Contact Person:</b> Arvind Tandel

<b>Banker to the Company</b>	<b>Banker to the Company</b>
<b>Citi Bank N.A.</b> First International Financial Centre, Plot Nos C-54 and C-55, G-Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra, India <b>Tel:</b> +91 77383 96111 <b>Email:</b> nikhil.chaumal@citi.com <b>Contact Person:</b> Nikhil Chaumal <b>Website:</b> www.online.citibank.co.in	<b>HDFC Bank Limited</b> 2 <sup>nd</sup> Floor, I Think Techno Campus, Near Kanjurmarg Railway Station, Kanjurmarg East, Mumbai – 400042, Maharashtra, India <b>Tel:</b> +91 22 30751394 <b>Email:</b> rohil.sanil@hdfcbank.com <b>Contact Person:</b> Rohil Sanil <b>Website:</b> www.hdfcbank.com
<b>Legal Advisor to the Offer</b>	
<b>DRC Legal &amp; Associates</b> Francis Chawl, Opp Jayshree Hotel, Dayal Das Road, Vile Parle (East), Mumbai – 400 057 Maharashtra, India <b>Tel:</b> +91 22 2610 4513 <b>Email:</b> drclegal.associates@gmail.com <b>Contact Person:</b> D. R. Chaudhary	
<b>Statutory Auditor of the Company and Peer Review Auditor</b>	<b>Escrow and sponsor Banker to the Offer</b>
<b>M/s. P. V. Dalal &amp; Co., Chartered Accountants</b> 1504/05, Yogi Paradise-A, Yogi Nagar, New Link Road, Borivali (West), Mumbai – 400091 <b>Tel:</b> +91 22 28997290 <b>Email:</b> pvd-ca@yahoo.co.in <b>Contact Person:</b> Paresh Dalal <b>Membership No.:</b> 033355 <b>Firm Registration No.:</b> 102049W <b>Peer Review No:</b> 009466	<b>Axis Bank Limited</b> Shop 1-7, Ground Floor, Venus Tower, Azad Nagar Road No. 2, Veera Desai Road, Andheri West, Mumbai – 400058, Maharashtra, India <b>Tel. :</b> +91-22- 26733637 <b>Fax:</b> +91-22- 26733697 <b>Email Id:</b> veeradesairoad.branchhead@axisbank.com <b>Website:</b> www.axisbank.com <b>SEBI Registration No:</b> INR000003639 <b>Contact Person:</b> Sheetal Sandesh Vichare

### Changes in Auditors for last three years

M/s. P. V. Dalal & Co., Chartered Accountants, Chartered Accountants were appointed as Statutory Auditors of our Company for the FY 2020-21 in place of M/s Khushbu Parekh & Co., Chartered Accountants, to comply with the requirement of peer review auditor in SME IPO.

### DESIGNATED INTERMEDIARIES

#### Self-Certified Syndicate Banks (SCSB's)

The list of SCSBs is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries> on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an Applicant, not applying through Syndicate/ Sub Syndicate or through a Registered Broker, CRTA or CDP may submit the Application Forms available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries> on the SEBI website, or at such other website as may be prescribed by SEBI from time to time.

#### Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the NSE Limited i.e. [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

#### RTAs

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as

address, telephone number and e-mail address, are provided on the websites of Stock Exchange [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

### **Collecting Depository Participants**

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange [www.nseindia.com](http://www.nseindia.com) as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI [www.sebi.gov.in](http://www.sebi.gov.in) and updated from time to time.

### **Credit Rating**

This being an Offer of Equity Shares, there is no requirement of credit rating for the Offer.

### **IPO Grading**

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

### **Statement of Responsibility of the Lead Manager/Statement of inter se allocation of responsibilities**

Since First Overseas Capital Limited is the sole Lead Manager to this Offer, a statement of *inter se* allocation of responsibilities amongst Lead Managers is not required.

### **Expert Opinion**

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

Our Company has received written consent from the Statutory Auditor namely, M/s. P. V. Dalal & Co., Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports of the Peer Reviewed Auditor on the Restated Financial Statements, dated April 26, 2022 and such consent has not been withdrawn as on the date of this Prospectus.

Our Company has received written consent from our Statutory Auditor namely, M/s. P. V. Dalal & Co., Chartered Accountants to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and the statement of tax benefits dated June 13, 2022 included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

### **Debenture Trustees**

This is an Offer of equity shares; hence appointment of debenture trustee is not required.

### **Appraisal and Monitoring Agency**

The objects of the Offer have not been appraised by any agency.

The Objects of the Offer and means of finance, therefore, are based on internal estimates of our Company. In terms of Regulation 41 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Offer size is not in excess of ₹10,000 lakhs.

### **Filing of the Offer Document**

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

Further, pursuant to SEBI Circular Number CFD/DIL1/CIR/P/2019/0000000154 dated December 11, 2019, a copy of the

Prospectus along with the with due diligence certificate including additional confirmations required to be filed under Section 26 of the Companies Act, 2013 will be filed with SEBI.

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at Everest, 100, Marine Drive, Mumbai – 400002, Maharashtra, India.

### Underwriting Agreement

This Offer is 100% Underwritten. The Underwriting agreement is dated June 24, 2022. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Offer:

Details of the Underwriter	No. of shares underwritten*	Amount Underwritten (₹in lakhs)	% of the Total Issue Size Underwritten
<b>FIRST OVERSEAS CAPITAL LIMITED</b> 1-2 Bhupen Chambers, Dalal Street, Fountain, Mumbai – 400 001, Maharashtra, India. <b>Tel No.:</b> +91 22 4050 9999 <b>Fax No.:</b> +91 22 4050 9900 <b>Email:</b> satish@focl.in / mala@focl.in <b>Investor Grievance Email:</b> investorcomplaints@focl.in <b>Website:</b> www.focl.in <b>SEBI Registration No:</b> INM000003671 <b>Contact Person:</b> Satish Sheth / Mala Soneji	7,05,000	853.05	15.00%
<b>RIKHAV SECURITIES LIMITED</b> 34/35/36/38, Matruchhaya, 4th Floor, Sarojini Naidu Road, Mulund West Mumbai-400080, Maharashtra, India. <b>Tel No.:</b> +91 22 25648369 <b>Email:</b> info@rikhav.net <b>Website:</b> www.rikhav.net <b>SEBI Registration No:</b> INZ000157737 <b>Contact Person:</b> Hitesh Himmatlal Lakhani	3,99,5000	4,833.95	85.00%
<b>Total</b>	<b>47,00,000</b>	<b>5,687.00</b>	<b>100%</b>

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

### Details of the Market Making Arrangement for this Offer

Our Company has entered into Market Making Agreement dated June 24, 2022, with the Lead Manager and Market Maker, duly registered with NSE to fulfil the obligations of Market Making:

The details of Market Maker are set forth below:

**RIKHAV SECURITIES LIMITED**  
 34/35/36/38, Matruchhaya, 4th Floor,  
 Sarojini Naidu Road, Mulund West  
 Mumbai-400080, Maharashtra, India.  
**Tel No.:** +91 22 25648369  
**Email:** info@rikhav.net  
**Website:** www.rikhav.net  
**SEBI Registration No:** INZ000157737  
**Contact Person:** Hitesh Himmatlal Lakhani

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

- 1) The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- 2) The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. (Including the 5% of Equity Shares of the Offer.) Any Equity Shares allotted to Market Maker under this Offer over and above 5% of Offer Size would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
- 4) There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
- 5) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- 6) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 7) On the day of listing, there will be pre opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of listing on the discovered price during the pre-open call auction.
- 8) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 9) The Market Maker shall have the right to terminate said arrangement by giving a six-month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further the Company and the Lead Manager reserve the right to appoint other Market Maker either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

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

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

- 12) **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Offer size up to ₹250 crores, the applicable price bands for the first day shall be:

(a) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

(b) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the Emerge Platform of NSE.

Sr. No.	Market Price Slab (in ₹)	Proposed spread (in % to sale price)
1	Up to 50	9
2	50 to 75	8
3	75 to 100	6
4	Above 100	5

- 13) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) during market making process has been made applicable, based on the Offer size, and as follows:

Offer Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Offer Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Offer Size)
Up to ₹20 Crores	25%	24%
₹20 to ₹50 Crores	20%	19%
₹50 to ₹80 Crores	15%	14%
Above ₹80 Crores	12%	11%

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

## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Prospectus and after giving effect to the Offer is set forth below:

No.	Particulars	Amount (₹ in lakhs)	
		Aggregate nominal value	Aggregate value at Offer Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	1,80,00,000 Equity Shares of face value of ₹10 each	1,800.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Offer</b>		
	1,50,50,000 Equity Shares of face value of ₹10.00 each	1,505.00	-
<b>C.</b>	<b>Present Offer in terms of this Prospectus</b>		
	Offer of 47,00,000 Equity Shares for cash at a price of ₹121.00 per Equity Share	470.00	5,687.00
	<b>Consisting of:</b>		
	Fresh Issue of up to 28,00,000 Equity Shares for cash at a price of ₹121.00 per Equity Share	280.00	3,388.00
	Offer for Sale of 19,00,000 Equity Shares for cash at a price of ₹121.00 per Equity Share	190.00	2,299.00
	<b>Which comprises:</b>		
	2,36,000 Equity Shares of ₹10.00 each at a price of ₹121.00 per Equity Share reserved as Market Maker portion	23.60	285.56
	Net Offer to the Public of 44,64,000 Equity Shares of ₹10.00 each at a price of ₹121.00 per Equity Share	446.40	5,401.44
	<b>Of which:</b>		
	22,32,000 Equity Shares of ₹10.00 each at a price of ₹121.00 per Equity Share will be available for allocation to Retail Individual Investors upto ₹2,00,000/-	223.20	2,700.72
	22,32,000 Equity Shares of ₹10.00 each at a price of ₹121.00 per Equity Share will be available for allocation to Other than Retail Individual Investors above ₹2,00,000/-	223.20	2,700.72
<b>D.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Offer</b>		
	1,78,50,000 Equity Shares of ₹10.00 each	1,785.00	-
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Offer		Nil
	After the Offer		3,108.00

The Offer has been authorised by our Board pursuant to a resolution dated April 26, 2022, and by our Equity Shareholders pursuant to a resolution passed at the extraordinary general meeting held on May 12, 2022.

The Selling Shareholder, Mahesh Makhija, confirm that the Equity Shares being offered by him are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For further details of authorizations received for the Offer, see “Other Regulatory and Statutory Disclosures” on page 137.

### Class of Shares

The company has only one class of shares i.e. Equity shares of ₹ 10/- each only and all Equity Shares are ranked pari-passu in all respects.

All Equity Shares issued are fully paid-up as on date of the Prospectus. Our Company has not issued any partly paid-up equity shares since its incorporation nor it does have any partly paid-up equity shares as on the date of the Prospectus.

Our Company does not have any outstanding convertible instruments as on the date of the Prospectus.

## Notes to the Capital Structure

### 1. Details of changes in authorised Share Capital:

The authorised share capital of our Company has been altered in the manner set forth below:

Particulars of Change		Date of Members Meeting	AGM/EGM
From	To		
₹1,00,000 consisting of 10,000 Equity shares of ₹10.00 each.		On incorporation	-
₹1,00,000 consisting of 10,000 Equity shares of ₹10.00 each.	₹5,00,00,000 consisting of 50,00,000 Equity shares of ₹10.00 each.	November 20, 2019	EGM
₹5,00,00,000 consisting of 50,00,000 Equity shares of ₹10.00 each.	₹18,00,00,000 consisting of 1,80,00,000 Equity shares of ₹10.00 each.	May 12, 2022	EGM

### 2. History of Issued and Paid Up Share Capital of our Company

The history of the equity share capital of our Company is set forth below:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation	10,000	10	10	Subscription to MoA <sup>(1)</sup>	Cash	10,000	1,00,000	Nil
23-11-2019	30,00,000	10	Nil	Bonus Issue in the ratio of 300:1 <sup>(2)</sup>	Nil	30,10,000	3,01,00,000	Nil
5-10-2020	7,52,500	10	Nil	Bonus Issue in the ratio of 1:4 <sup>(3)</sup>	Nil	37,62,500	3,76,25,000	Nil
10-06-2022	1,12,87,500	10	Nil	Bonus Issue in the ratio of 3:1 <sup>(4)</sup>	Nil	1,50,50,000	15,05,00,000	Nil

1. Initial allotment of 9,800 Equity Shares by Mahesh Makhija, 100 Equity Shares by Diti Makhija and 100 Equity Shares by Rani Makhija, being the subscribers to the MoA of our Company.
2. Allotment to Mahesh Makhija (29,40,000 Equity Shares), Rani Makhija (30,000 Equity Shares), Diti Makhija (30,000 Equity Shares).
3. Allotment to Mahesh Makhija (7,37,450 Equity Shares), Rani Makhija (7,525 Equity Shares), Diti Makhija (7,525 Equity Shares).
4. Allotment to Mahesh Makhija (1,10,61,630 Equity Shares), Diti Makhija (1,12,875 Equity Shares), Guddi Makhija (1,12,875 Equity Shares), Atul David, Abhishek Tiwari, Charles James and Koushik Thakurta (30 Equity Shares each)

### 3. Issue of Equity Shares for Consideration other than Cash.

- a. Other than the Bonus issue of Equity Shares as mentioned in point no. 2 above, our Company has not allotted any Equity Shares for consideration other than cash, since its incorporation.
4. No Equity Shares have been allotted pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956 or Section 230-233 of the Companies Act, 2013.
5. We have not issued any equity share (including bonus shares) by capitalizing any revaluation reserves.
6. *Issue of Shares in the preceding two years*



Following Equity Shares were issued by our Company in the preceding two years:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration
5-10-2020	7,52,500	10	Nil	Bonus Issue in the ratio of 1:4	Nil
10-06-2022	1,12,87,500	10	Nil	Bonus Issue in the ratio of 3:1	Nil

**7. Issue of Equity Shares in the last one year at a Price lower than the Offer Price:**

Other than as mentioned below, Equity Shares were issued in last one year immediately preceding the date of the Prospectus at a price which is lower than the Offer Price.

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration
10-06-2022	1,12,87,500	10	Nil	Bonus Issue in the ratio of 3:1	Nil

*Allotment to Mahesh Makhija (1,10,61,630 Equity Shares), Diti Makhija (1,12,875 Equity Shares), Guddi Makhija (1,12,875 Equity Shares), Arul David, Abhishek Tiwari, Charles James and Koushik Thakurta (30 Equity Shares each)*

8. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

9. As on the date of the Prospectus, our Company does not have any preference share capital.

**10. Build Up of our Promoters' Shareholding, Promoters' Contribution and Lock-In**

As on the date of this Prospectus, our Promoters hold 19,03,500 Equity Shares, constituting 66.72% of the pre-issued, subscribed, and paid-up Equity Share capital of our Company.

**a) Build-up of our Promoters' shareholding in our Company**

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue Price /Acquisition Price / Transfer price per Equity Share (in ₹)	Nature of Consideration	Percentage of Pre-Issue Equity Share Capital (%)	Percentage of Post-Issue Equity Share Capital (%)
<b>Mahesh Makhija</b>							
Upon Incorporation	Subscription to MoA	9,800	10	10	Cash	0.07%	0.05%
23-11-2019	Bonus Issue in the ratio of 300:1	29,40,000	10	Nil	Nil	19.53%	16.47%
5-10-2020	Bonus Issue in the ratio of 1:4	7,37,450	10	Nil	Nil	4.90%	4.13%
21-10-2020	Transfer *	(40)	10	400	Cash	0.00%	0.00%
10-06-2022	Bonus Issue in the ratio of 3:1	1,10,61,630	10	Nil	Nil	73.50%	61.97%
	<b>Total#</b>	<b>1,47,48,840</b>				<b>98.00%</b>	<b>82.63%</b>

\* Transferred 10 Equity shares each to Arul David, Abhishek Tiwari, Koushik Thakurta and Charles James.

# Out of the total holding of Mahesh Makhija, shares aggregating to 19,00,000 equity shares are offered as part of Offer for Sale.

Our Promoters have confirmed to the Company and the Lead Manager that the acquisition of the Equity Shares forming part of the Promoters' Contribution has been financed from personal funds/internal accruals and no financial assistance from any banks or financial institution has been availed by our Promoters for this purpose. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. As on the date of this Prospectus, none of the Equity Shares held by our Promoters are pledged.

b) *Details of Promoter's Contribution Locked-in for Three Years*

Pursuant to Regulations 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be provided towards minimum promoters' contribution and locked-in for a period of three years from the date of Allotment ("Minimum Promoters' Contribution"). Details of the Equity Shares (eligible for inclusion in the Minimum Promoters' Contribution, in terms of Regulation 33 of the SEBI (ICDR) Regulations) forming part of Minimum Promoters' Contribution and proposed to be locked-in for a period of three years are as follows:

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue Price /Acquisition Price / Transfer price per Equity Share (in ₹)	Nature of Consideration	Percentage of Pre-Offer Equity Share Capital (%)	Percentage of Post-Offer Equity Share Capital (%)
<b>Mahesh Makhija</b>							
10-06-2022	Bonus Issue in the ratio of 3:1	35,70,000	10	Nil	Nil	23.72%	20.00%

Our Promoters have granted written consent to include such number of Equity Shares held by him as may constitute 20% of the post Offer Equity Share capital of our Company as Minimum Promoters; Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution from the date of filing of this Prospectus until the commencement of the lock-in period specified above, or for such other time as required under SEBI (ICDR) Regulations, except as may be permitted, in accordance with the SEBI (ICDR) Regulations.

In terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, we confirm that the Minimum Promoters' Contribution of 20% of the Post Offer Capital of our Company as mentioned above does not consist of;

- Equity Shares acquired during the preceding three years for;
  - consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;
  - resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the company or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- The Equity Shares held by the Promoters and offered for Minimum Promoters' contribution which are subject to any pledge with any creditor;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Initial Public offer;
- No Equity shares have been issued to our promoters upon conversion of a partnership firm during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management are ineligible for Minimum Promoters' Contribution.

c) *Equity Shares locked-in for one year*

In addition to Minimum Promoters' Contribution which shall be locked-in for three years, the balance Equity Shares held by Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

d) *Other requirements in respect of 'lock-in'*

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-Offer capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Issue.

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

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters and locked in may be pledged as a collateral security for a loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or housing finance company, subject to following;

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

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

**Transferability of Locked in Equity Shares:**

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

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

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

11. **Our shareholding pattern**

Pursuant to Regulation 31 of the SEBI (LODR) Regulations, the holding of specified securities is divided into the following three categories: (a) Promoter and Promoter Group; (b) Public; and (c) Non-Promoter - Non-Public.

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV) + (V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (XI)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2) (XI) = (VII) + (X)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of (A+B + C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class Equity	Class : preference	Total								
(A)	Promoter & Promoter Group	3	1,50,49,840	-	-	1,50,49,840	100.00	1,50,49,840	-	1,50,49,840	100.00	-	-	-	-	-	1,50,49,840	
(B)	Public	4	160	-	-	160	Negligible	160	-	160	Negligible	-	-	-	-	-	160	
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total</b>	<b>7</b>	<b>1,50,50,000</b>	<b>-</b>	<b>-</b>	<b>1,50,50,000</b>	<b>100.00</b>	<b>1,50,50,000</b>	<b>-</b>	<b>1,50,50,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,50,50,000</b>	

Note: The term “Encumbrance” has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

- (a) Our Company will file the shareholding pattern of our Company in the form prescribed under Regulation 31 of SEBI (LODR) Regulations, one day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the website of NSE before commencement of trading of our Equity Shares.
- (b) There are no Equity Shares against which depository receipts have been issued.
- (c) Other than the Equity Shares, there is no other class of securities issued by our Company.

12. The shareholding pattern of our Promoters and Promoter Group before and after the Offer is set forth below:

Sr.	Particulars	Pre-Offer		Post-Offer	
		No. of Shares	% Holding	No. of Shares	% Holding
a)	<b>Promoters</b>				
	Mahesh Makhija	1,47,48,840	98.00%	1,28,48,840	71.98%
	<b>Total</b>	<b>1,47,48,840</b>	<b>98.00%</b>	<b>1,28,48,840</b>	<b>71.98%</b>
b)	<b>Promoter Group</b>				
	Guddi Makhija	1,50,500	1.00%	1,50,500	0.84%
	Diti Makhija	1,50,500	1.00%	1,50,500	0.84%
	<b>Total</b>	<b>3,01,000</b>	<b>2.00%</b>	<b>3,01,000</b>	<b>1.69%</b>
	<b>Grand Total</b>	<b>1,50,49,840</b>	<b>100.00%</b>	<b>131,49,840</b>	<b>73.67%</b>

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

Name of the Promoters	No. of Equity Shares held	Average cost of Acquisition (in ₹)
Mahesh Makhija	1,47,48,840	0.01

14. None of our Directors or Key Managerial Personnel, except as mentioned above, hold Equity Shares in our Company.

#### 15. Major shareholders

The list of our major shareholders and the number of Equity Shares held by them is provided below:

a. *List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Prospectus:*

Sr. No.	Name of shareholder	No. of Equity Shares	% of Issued Capital
1.	Mahesh Makhija	1,47,48,840	98.00%
2.	Guddi Makhija	1,50,500	1.00%
3.	Diti Makhija	1,50,500	1.00%
	<b>Total</b>	<b>1,50,49,840</b>	<b>100.00%</b>

b. *List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date two years prior to the date of the Prospectus:*

Sr. No.	Name of shareholder	No. of Equity Shares	% of Issued Capital
1.	Mahesh Makhija	36,87,210	98.00%
2.	Guddi Makhija	37,625	1.00%
3.	Diti Makhija	37,625	1.00%
	<b>Total</b>	<b>37,62,460</b>	<b>100.00%</b>

c. *List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date one year prior to the date of the Prospectus:*

Sr. No.	Name of shareholder	No. of Equity Shares	% of Issued Capital
1.	Mahesh Makhija	36,87,210	98.00%
2.	Guddi Makhija	37,625	1.00%
3.	Diti Makhija	37,625	1.00%
	<b>Total</b>	<b>37,62,460</b>	<b>100.00%</b>

d. *List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the date of the Prospectus:*

Sr. No.	Name of shareholder	No. of Equity Shares	% of Issued Capital
1.	Mahesh Makhija	1,47,48,840	98.00%
2.	Guddi Makhija	1,50,500	1.00%

3.	Diti Makhija	1,50,500	1.00%
	<b>Total</b>	<b>1,50,49,840</b>	<b>100.00%</b>

16. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Offer, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.
17. None of our Promoters, members of our Promoter Group or our Directors or their immediate relatives have sold or purchased Equity Shares by any other person during the six months immediately preceding the date of this Prospectus.
18. There have been no financial arrangements whereby our Promoters, Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company, during a period of six months preceding the date of this Prospectus, other than in the normal course of business of the financing entity.
19. Our Company, our Promoters, our Directors and the Lead Manager to this Offer have not entered into any buy-back and/or standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company through this Prospectus.
20. There are no safety net arrangements for this public Offer.
21. An oversubscription to the extent of 10% of the Net Offer can be retained for the purposes of rounding off to the minimum allotment lot and multiple of one share thereafter, while finalizing the Basis of Allotment. Consequently, the actual allotment may go up by a maximum of 10% of the Net Offer as a result of which, the post-Offer paid up capital after the Offer would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock- in shall be suitably increased so as to ensure that 20% of the Post Offer paid-up capital is locked in for 3 years.
22. Under-subscription in the net Offer, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the NSE.
23. As on the date of filing of this Prospectus, there are no outstanding warrants, options, or rights to convert debentures, loans, or other financial instruments into our Equity Shares.
24. All the Equity Shares of our Company are fully paid up as on the date of this Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be issued fully paid-up equity shares.
25. As per RBI regulations, OCBs are not allowed to participate in this Offer.
26. Our Company has not raised any bridge loan against the proceeds of this Offer. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
27. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
28. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
29. No payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
30. We have 7 (seven) Shareholders as on the date of this Prospectus.
31. Our Promoters and the members of our Promoter Group will not participate in this Offer.

32. Our Promoter and members of our Promoter Group will not receive any proceeds from the Offer, except to the extent of Promoter’s participation as Selling Shareholders in the Offer for Sale.
33. Our Company has not made any public issue since its incorporation.
34. As on the date of this Prospectus, the Lead Manager and their respective associates (determined as per the definition of ‘associate company’ under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Company. The Lead Manager and their respective affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive customary compensation.
35. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
36. For the details of transactions by our Company with our Promoter Group, Group Companies please refer to paragraph titled “*Statement of Transactions with Related Parties, as Restated*” in ‘*Financial Statements*’ on page 100.

## OBJECTS OF THE OFFER

The Offer comprises of a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholder.

### Offer for Sale

The proceeds from the Offer for Sale shall be received by the Selling Shareholder, Mahesh Makhija. Our Company will not receive any proceeds from the Offer for Sale. The Selling Shareholder will be entitled to its respective portion of the proceeds of the Offer for Sale, after deducting its respective portion of the Offer related expenses and relevant taxes thereon. For details of the Selling Shareholders, see “*Other Regulatory and Statutory Disclosures –Authority for the Offer*” on page 137.

### Fresh Issue

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

1. Funding additional Working capital requirements
2. General Corporate Purposes

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

The main object clause of Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised by us through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association. For the main objects clause of our Memorandum of Association, see “*History and Certain Corporate Matters*” on page 78.

### Net Proceeds

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

S. No.	Particulars	Amount (₹ in lakhs)
1.	Gross Proceeds from the Fresh Issue	3,388.00
2.	Offer Expenses*	30.00
<b>3.</b>	<b>Net Proceeds of the Fresh Issue (“Net Proceeds”)</b>	<b>3,358.00</b>

\*The total offer expenses are estimated at ₹ 50.00 lakhs out of which ₹ 30.00 lakhs shall be borne by our Company and ₹ 20 lakhs shall be borne by the Promoter Selling Shareholder. For details with respect to sharing of fees and expenses amongst our Company and the Selling Shareholders, please refer to the heading “*Offer Related Expenses*” at page 55.

### Utilisation of Net Proceeds and Means of Finance

The proposed utilisation of the Net Proceeds is set forth below:

S. No.	Object	Amount Proposed to be Utilised from the Net Proceeds (₹ in lakhs)
1.	Funding additional working capital requirements	2,700.00
2.	General Corporate Purposes	658.00
	<b>Total</b>	<b>3,358.00</b>

Since the entire fund requirement are to be funded from the proceeds of the Fresh Issue and internal accruals, hence our Company is complying with requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

### Requirement of Funds and Means of Finance

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and management estimates and have not been appraised by any bank, financial institution or any other external agency. Given the dynamic nature of our business, we may have to revise our business plan from time to



time and consequently our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors such as market conditions, competitive environment, costs of commodities and interest/ exchange rate fluctuations which may not be within the control of our management.

In case of variations in the actual utilisation of funds earmarked for the purpose set forth above or shortfall in the Net Proceeds, increased fund requirement may be financed by our internal accruals and/ or debt, as required. If the actual utilisation towards the said Object is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the gross proceeds from the Issue.

## Details of the Objects of the Fresh Issue

### 1. Funding Additional Working Capital Requirements

Our business is working capital intensive and we fund a majority of our working capital requirements in the ordinary course of our business from banks, financial institutions and our internal accruals.

#### (a) Existing Working Capital:

Our Company's existing working capital based on the Restated Financial Information is stated below:

(₹ in lakhs)

Particulars	31-Mar-19		31-Mar-20		31-Mar-21		31-Mar-22	
	Audited	No. of Days	Audited	No. of Days	Audited	No. of Days	Audited	No. of Days
<b>Current Assets</b>								
Inventories	895.44	73	1,569.47	96	2,030.83	78	2425.46	77
Trade Receivables	801.8	56	1,121.23	56	2,298.18	69	4204.46	105
Short Term Loans & Advances and Deposits	0.09		22.47		14.02		113.39	
Other Current Assets	65.47		226.42		497.80		466.55	
<b>Total</b>	<b>1,762.80</b>		<b>2,939.59</b>		<b>4,840.83</b>		<b>7209.86</b>	
<b>Current Liabilities</b>								
Sundry Creditors	876.33	71	1,136.99	69	1,819.13	70	1,690.83	54
Other Current Liabilities	151.76		109.58		218.25		249.55	
<b>Total</b>	<b>1,028.09</b>		<b>1,246.57</b>		<b>2,037.38</b>		<b>1940.38</b>	
Working Capital Gap	<b>734.71</b>		<b>1,693.02</b>		<b>2,803.45</b>		<b>5269.48</b>	
Less: Existing Bank Borrowings	376.36		899.06		1,684.92		2895.39	
<b>Net Working Capital Requirement</b>	<b>358.35</b>		<b>793.96</b>		<b>1,118.53</b>		<b>2374.09</b>	
Funded through Internal Accruals, Other loans and Equity	<b>358.35</b>		793.96		1,118.53		<b>2374.09</b>	

#### (b) Future Working Capital Requirements

Our Company proposes to utilize ₹2,700.00 lakhs of the Net Proceeds for our working capital requirements. This will be utilized during Fiscal 2023 towards our Company's additional working capital requirements. The balance portion of our Company working capital requirement shall be met from the internal accruals. The incremental and proposed working capital requirements, as approved by the Board pursuant to a resolution dated September 15, 2022, and key assumptions with respect to the determination of the same are mentioned below. Our Company's expected working capital requirements for Fiscal 2023 and the proposed funding of such working capital requirements are as set out in the table below:

(₹ in lakhs)

Particulars	31-Mar-23	
	Estimated	No. of Days
<b>Current Assets</b>		
Inventories	4505.00	104
Trade Receivables	5163.00	108
Short Term Loans & Advances and Deposits	0.00	
Other Current Assets	250.00	
<b>Total</b>	<b>9918.00</b>	
<b>Current Liabilities</b>		
Sundry Creditors	1322.00	30
Other Current Liabilities	376.00	
<b>Total</b>	<b>1698.00</b>	
Working Capital Gap	<b>8220.00</b>	
Less: Existing Bank Borrowings	2500.00	
<b>Net Working Capital Requirement</b>	<b>5720.00</b>	
<b>Proposed Working Capital to be funded from IPO</b>	<b>2700.00</b>	
Funded through Internal Accruals, Other loans and Equity	3020.00	

As certified by our statutory auditors vide their certificate dated September 15, 2022.

The working capital projections made by the Company are based on certain key assumptions, as set out below:

Sr. No.	Particulars	Assumptions
<b>Current Assets</b>		
1	Revenues:	The revenues from FY 2019 to FY 2020 have increased by 40.17%; the revenues from FY 2020 to FY 2021 have increased by 67.77% and the revenues from FY 2021 to FY 2022 have increased by 19.90% This increase was mainly due to positive impact of Covid 19 on our business. However going forward we have estimated the rationalization in increase our revenues, which is also reflected in our revenues for FY 2022.
1	Inventories:	In order to achieve cost competitiveness and shorter lead times through constant innovation, we need to maintain efficient inventory levels. In Fiscal 2019, Fiscal 2020, Fiscal 2021 and Fiscal 2022 our inventory days were 73 days 96 days, 78 days and 77 days respectively. We have estimated 104 days of finished inventory for the Fiscal ended March 31, 2023, to ensure adequate availability of the products at a more competitive price.
2	Trade receivables	In Fiscal 2019, 2020, 2021 and 2022 our receivable days were 56 days, 56 days, 69 days and 105 days respectively. Due to the business growth and the need for increasing the sales volume we estimate the receivable to increase at levels to 108 days for Fiscal 2023.
3	Other current assets including other financial assets	The key items under this head are advance to staff, other advances, security deposit with statutory authorities, prepaid expenses etc.
<b>Current Liabilities</b>		
4	Trade payables	Our trade payables have been for 71 days, 69 days, 70 days and 54 days for fiscal 2019, 2020, 2021 and 2022 respectively. However, going forward we estimate to maintain payables at 30 days for Fiscal 2023 to avail best pricing and also buy from large suppliers.
5	Other current liabilities	Other current liabilities include current maturities of long term debts, provisions, statutory dues, expenses payable etc.

## 2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹658.00 lakhs towards general corporate purposes. The general corporate purposes for which our Company proposes to utilise the Net Proceeds include but are not limited to funding growth opportunities, strategic initiatives, joint-ventures, partnerships, marketing and business development expenses, expansion of facilities and meeting exigencies and expenses incurred by our Company in the ordinary course of business. In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by the Board, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board based on the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any. However, we confirm that the amount for general corporate purposes, as mentioned in objects of the issue, shall not exceed twenty five per cent of the fresh issue amount raised by our Company.

### Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹50.00 lakhs. The expenses of this Offer include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses and legal fees, if applicable. The estimated Offer expenses are as follows:

(₹ in lakhs)			
Activity	Estimated expenses*	As a % of the total estimated Offer expenses	As a % of the total Offer size
Payment to Merchant Banker including, underwriting, and selling commissions, brokerages, Advisors to the Company, payment to other intermediaries such as Legal Advisors, Registrars etc. and other out of pocket expenses, Brokerage and selling commission <sup>(1)</sup>	36.00	72.00%	0.63%
Advertising and marketing expenses	5.00	10.00%	0.09%
Printing and stationery expenses, distribution, and postage	3.00	6.00%	0.05%
ROC, Regulatory and other expenses including Listing Fee	6.00	12.00%	0.11%
<b>Total estimated Issue expenses</b>	<b>50.00</b>	<b>100.00%</b>	<b>0.88%</b>

\*The total offer expenses are estimated at ₹ 50.00 lakhs out of which ₹ 30.00 lakhs shall be borne by our Company and ₹ 20 lakhs shall be bore by the Promoter Selling Shareholder.

<sup>(1)</sup>The SCSBs and other intermediaries will be entitled to processing fees of ₹ 10 per valid Application form uploaded on the electronic system of the Stock Exchange by them.

### Schedule of implementation

- The entire amount of Fresh Issue Proceeds will be utilised during FY 2022-2023.

### Deployment of Funds in the Objects

As certified by P.V. Dalal & Co., Chartered Accountants, vide their certificate dated September 14, 2022 our Company has incurred the following expenditure on the Objects:

(₹ in Lakhs)	
Particulars	Amount spent till August 31, 2022
Public Issue Expenses	17.50
<b>Total</b>	<b>17.50</b>

The above funds were deployed from the Company's internal accruals.

**Details of balance fund deployment**

(₹ in Lakhs)

Sr. No.	Particulars	Expenses Already Incurred till August 31, 2022	FY 2022-23	Total
1	Funding Working capital requirements	Nil	2,700.00	2,700.00
2	General Corporate Purposes	Nil	658.00	658.00
3	Issue Related Expenses	17.50	12.50	30.00
	<b>Total</b>	<b>17.50</b>	<b>3,370.50</b>	<b>3,388.00</b>

**Interim Use of Funds**

Pending utilization for the purposes described above, we undertake to temporarily deposit the funds from the Net Proceeds only in the scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, for the necessary duration. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the equity shares of any other listed company.

**Appraisal Report**

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

**Bridge Loan**

As of the date of this Prospectus, our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds. However, depending on its business requirements, our Company may consider raising bridge financing facilities, pending receipt of the Net Proceeds.

**Monitoring of Utilization of Funds**

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

**Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the shareholders by way of a special resolution. In addition, the notice issued to the shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act 2013.

Pursuant to the Companies Act 2013, the Promoters or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects of the Issue at the fair market value of the Equity Shares as on the date of the resolution of our Board recommending such variation in the terms of the contracts or the objects referred to in the Prospectus, in accordance with such terms and conditions as may be specified on this behalf by SEBI.

**Other Confirmations**

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

## BASIS FOR OFFER PRICE

The Offer Price is determined by our Company in consultation with the Lead Manager. The financial data presented in this section are based on our Company’s restated financial statements. Investors should also refer to the sections titled ‘Risk Factors’ and ‘Financial Information’ on pages 16 and 100, respectively, to get a more informed view before making the investment decision.

### **Qualitative Factors**

For details of Qualitative factors please refer to the paragraph “Our Competitive Strengths” in “Our Business” beginning on page 68.

### **Quantitative Factors (Based on Standalone Financial Statements)**

#### **1. Basic & Diluted Earnings Per Share (EPS):**

Period	Basic and Diluted EPS (₹)*	Weights
FY 2022	7.11	3
FY 2021	7.25	2
FY 2020	4.22	1
<b>Weighted Average</b>	<b>6.68</b>	

\*Considering bonus allotments made in all the above FY or periods.

Notes:

1. Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) ‘Earnings per Share’, notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.
2. Basic Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders /Weighted average number of shares outstanding during the year/ period.
3. Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/ period.
4. The figures disclosed above are based on the Restated Consolidated Financial Statements of our Company.

#### **2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ 121.00:**

- a. Based on the basic and diluted EPS of ₹7.11 as per restated financial statements for the financial year ended March 31, 2022, the P/E ratio is 17.02.
- b. Based on the weighted average EPS of ₹6.68, as per restated financial statements the P/E ratio is 18.13
- c. Industry P/E

There are no listed Companies which are specifically comparable to us in terms of our business model, size and financials.

#### **3. Return on Net Worth**

Period	Return on Net Worth (%)	Weights
FY 2022	34.50	3
FY 2021	53.72	2
FY 2020	67.55	1
<b>Weighted Average</b>	<b>46.42</b>	

#### **4. Minimum Return on increased Net Worth required to maintain pre-Issue EPS.**

The minimum return on increased net worth required maintaining pre-Issue EPS:

- A) Based on weighted average EPS of ₹6.68

At the Issue Price of ₹121: 18.36% based on restated financial statements.

- B) Based on Basic and Diluted EPS for the period ended March 31, 2022 of ₹7.11

At the Issue Price of ₹121: 19.55% based on restated financial statements.

**5. Net Asset Value per Equity Share**

- As of March 31, 2022\* ₹20.62
- NAV per Equity Share after the Issue is : ₹36.36
- Issue Price per Equity Share is: ₹121.00

\*Considering bonus allotment made on June 10, 2022.

**6. Peer Competitors - Comparison of Accounting Ratios**

There are no listed Companies which are specifically comparable to us in terms of our business model, size and financials.

The face value of Equity Shares of our Company is ₹10 per Equity Share and the Issue price of ₹121 is 12.10 times of the face value.

The Issue Price of ₹121.00 is determined by our Company, in consultation with the Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled 'Risk Factors', and chapters titled 'Our Business' and 'Financial Information' beginning on page 16, 68 and 100, respectively of the Prospectus.

## STATEMENT OF TAX BENEFITS

### STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO QMS MEDICAL ALLIED SERVICES LIMITED AND IT'S SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To,  
**The Board of Directors**  
**QMS Medical Allied Services Limited**  
A1 A2/B1 B2, Navkala Bharti Building,  
Plot No16, Prabhat Colony, Near Santacruz Bus Depot,  
Santacruz East, Mumbai-400055

Dear Sirs,

**Sub: Statement of possible special tax benefits (“the Statement”) available to QMS Medical Allied Services Limited (“the Company”) and its shareholders prepared in accordance with the requirements of the Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018, as amended (“the Regulations”)**

We hereby report that the enclosed annexure, prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 (‘Act’) as amended by the Finance Act, 2022 (i.e. applicable to Financial Year 2022-23 relevant to Assessment Year 2023-24), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. 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. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever changing tax laws in India.

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

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

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change. We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

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

**For M/s. P. V. Dalal & Co.,**  
Chartered Accountants  
**Firm Registration No:** 102049W

CA Paresh Dalal  
Partner  
**Membership No:** 033355  
**Date:** June 13, 2022  
**Place:** Mumbai  
**UDIN:** 22033355AKUVNF8587

**Annexure**

**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS**

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India for the financial year 2022-23.

**A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

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

**B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

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



## SECTION V: ABOUT THE COMPANY INDUSTRY OVERVIEW

*The information in this section has been extracted from reports publicly available documents and information, including, but not limited to, materials issued or commissioned by the Government of India and certain of its ministries, trade and industry-specific publications and other relevant third-party sources.*

*Industry websites and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. While the Company has exercised reasonable care in relying on such government, industry, market and other relevant data in this document, it has not been independently verified by the Company or any of its advisors, nor the Lead Manager or any of its respective advisors, and should not be relied on as if it had been so verified.*

### INDIAN ECONOMY OVERVIEW

Source: <https://www.ibef.org/economy/indian-economy-overview>

### INTRODUCTION

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

### MARKET SIZE

- India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22.
- India is the third-largest unicorn base in the world with over 100 unicorns with a total valuation of US\$ 332.7 billion.
- India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030s, for productivity and economic growth according to McKinsey Global Institute. The net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.
- According to data from the Department of Economic Affairs, as of January 28, 2022, foreign exchange reserves in India reached the US\$ 634.287 billion mark.

### RECENT DEVELOPMENTS

Recent economic developments in India are as follows:

- With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments worth US\$ 5.8 billion across 117 deals in February 2022, 24% higher than in January 2022. Some of the important recent developments in the Indian economy are as follows:
- India's merchandise exports were at an all-time high of US\$ 417.81 billion in FY22. In April 2022, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 54.7.
- The gross Goods and Services Tax (GST) revenue collection hit an all-time high of Rs. 1.68 trillion (US\$ 21.73 billion) in April 2022. This is a 20% increase over the previous year.
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 572.80 billion between April 2000-December 2021.
- India's Index of Industrial Production (IIP) for January 2022 stood at 138.4 against 136.6 for January 2021.
- Consumer Food Price Index (CFPI) – Combined inflation was 2.9% in 2021-22 (April-December) against 9.1% in the corresponding period last year.
- Consumer Price Index (CPI) – Combined inflation was 5.20% in 2021-2022 (April-December) against 6.6% in 2020-21
- Foreign portfolio investors (FPIs) invested Rs.50,009 crore (US\$ 6.68 billion) in the Calendar year 2021.
- The wheat procurement in Rabi 2021-22 and the 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.

### ROAD AHEAD

Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution Mr. Piyush Goyal, on January 21, 2022 said that Indian industry to raise 75 unicorns in the 75 weeks leading up to the country's 75th anniversary next year.

Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal said that India will achieve exports worth US\$ 1 trillion by 2030.

India's electronic exports are expected to reach US\$ 300 billion by 2025-26. This will be nearly 40 times the FY2021-22 exports (till December 2021) of US\$ 67 billion.

As per the data published in a Department of Economic Affairs report, in the first quarter of FY22, India's output recorded a 20.1% YoY growth, recovering >90% of the pre-pandemic output in the first quarter of FY20. India's real gross value added (GVA) also recorded an 18.8% YoY increase in the first quarter of FY22, posting a recovery of >92% of its corresponding pre-pandemic level (in the first quarter of FY20). Also, in FY21, India recorded a current account surplus of 0.9% of the GDP. The growth in the economic recovery is due to the government's continued efforts to accelerate vaccination coverage among citizens. This also provided an optimistic outlook to further revive industrial activities.

As per RBI's revised estimates for July 2021, the real GDP growth of the country is estimated at 21.4% for the first quarter of FY22. The increase in the tax collection, along with the government's budget support to states, strengthened the overall growth of the Indian economy.

India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

India is expected to be the third-largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to a shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass the USA to become the second-largest economy in terms of purchasing power parity (PPP) by 2040, as per a report by PricewaterhouseCoopers.

### **Healthcare Industry in India**

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

## **INTRODUCTION**

Healthcare has become one of India's largest sectors, both in terms of revenue and employment. Healthcare comprises hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services and increasing expenditure by public as well private players.

India's healthcare delivery system is categorised into two major components public and private. The government, i.e. public healthcare system, comprises limited secondary and tertiary care institutions in key cities and focuses on providing basic healthcare facilities in the form of primary healthcare centres (PHCs) in rural areas. The private sector provides majority of secondary, tertiary, and quaternary care institutions with major concentration in metros and tier-I and tier-II cities.

India's competitive advantage lies in its large pool of well-trained medical professionals. India is also cost competitive compared to its peers in Asia and Western countries. The cost of surgery in India is about one-tenth of that in the US or Western Europe. As of March 21, 2022, more than 181.52 crore COVID-19 vaccine doses have been administered across the country.

## **MARKET SIZE**

The Indian healthcare sector is expected to record a three-fold rise, growing at a CAGR of 22% between 2016–2022 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.

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.

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.

A growing middle-class, coupled with rising burden of new diseases, are boosting the demand for health insurance coverage. With increasing demand for affordable and quality healthcare, penetration of health insurance is poised to expand in the coming years. In FY21, gross direct premium income underwritten by health insurance companies grew 13.3% YoY to Rs. 58,572.46 crore (US\$ 7.9 billion). The health segment has a 29.5% 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 of January 2022, the number of medical colleges in India stood at 595.

As per information provided to the Lok Sabha by the Minister of State for 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.

## **ROAD AHEAD**

India is a land full of opportunities for players in the medical devices industry. The country has also become one of the leading destinations for high-end diagnostic services with tremendous capital investment for advanced diagnostic facilities, thus catering to a greater proportion of population. Besides, Indian medical service consumers have become more conscious towards their healthcare upkeep.

India's healthcare sector is much diversified and is full of opportunities in every segment, which includes providers, payers, and medical technology. With the increase in the competition, businesses are looking to explore the latest dynamics and trends which will have a positive impact on their business. The hospital industry in India is forecast to increase to Rs. 8.6 trillion (US\$ 132.84 billion) by FY22 from Rs. 4 trillion (US\$ 61.79 billion) in FY17 at a CAGR of 16–17%.

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.

## **MEDICAL DEVICES INDUSTRY IN INDIA**

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

### **INTRODUCTION**

The healthcare and medical device sectors have grown significantly in the last decade. There is a huge gap in the current demand and supply of medical devices in India and this provides a significant opportunity for manufacturing devices in India.

At present, many medical device manufacturers (domestic and international) are chasing this massive under penetration of medical devices in India as a significant growth opportunity.

### **MARKET SIZE**

In India is among the top 20 markets for medical devices worldwide. The market is expected to increase at a 37% CAGR to reach US\$ 50 billion in 2025, from Rs. 75,611 crore (US\$ 10.36 billion) in 2020. The medical devices sector in India comprises large multinationals and small and mid-sized companies.



The Government of India (GOI) has commenced various initiatives to strengthen the medical devices sector, with emphasis on research and development (R&D) and 100% FDI for medical devices to boost the market. FDI inflow in the medical and surgical appliances sector stood at US\$ 2.35 billion between April 2000-December 2021.

Between 2020 and 2025, diagnostic imaging is likely to expand at a CAGR of 13.5%.

India's wearable market grew 93.8% YoY in the July–September 2021 quarter, shipping 23.8 million units. Noise maintained its lead for the sixth straight quarter with a 26% market share in the third quarter, followed by Boat (23.1%), Fire-Boltt (15.3%), Realme (7.3%) and Amazfit (4.8%).

**EXPORT SCENARIO**

**Medical Devices Export Market in India (2019-25, in US\$ billion)**



Key Export Countries	
The US	France
Germany	Singapore
China	Turkey
Brazil	The Netherlands
Iran	Belgium

India has a 75-80% import dependency on medical devices. Exports stood at (US\$ 2.51 billion) in 2019-20 and are expected to rise at to US\$ 10 billion by 2025.

To increase export of medical devices in the country, the Indian Ministry of Health and Family Welfare (MOHFW) and Central Drugs Standard Control Organisation (CDSCO) implemented the following initiatives: re-examination and implementation of Schedule MIII (a draft guidance on good manufacturing practices and facility requirements), system for

export labelling, clinical evaluation and adverse reporting clarification, state licensing authority to extend free sales certificate validity from 2 years to 5 years to allow exports, create a list of manufacturers with export licensing for easy access by regulatory authorities worldwide.

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

**Medical devices market is split into 4 key categories in India**

Under the medical device and IVD regulations, the Health Ministry of India has divided medical devices into the following four categories:

**CLASS A (LOW RISK)**

Medical devices such as surgical dressings, umbilical occlusion devices, bolster sutures, alcohol swabs, nasopharyngeal catheters and Y-connectors, as an accessory to perfusion sets etc. are included in this category.

**CLASS B (LOW MODERATE RISK)**

Medical devices such as endoscopic forceps, vial adapters, suction cups and catheters, Sengstaken-Blakemore tube, feeding tubes, gastrointestinal tubes etc. are included in this category.

**CLASS C (MODERATE HIGH RISK)**

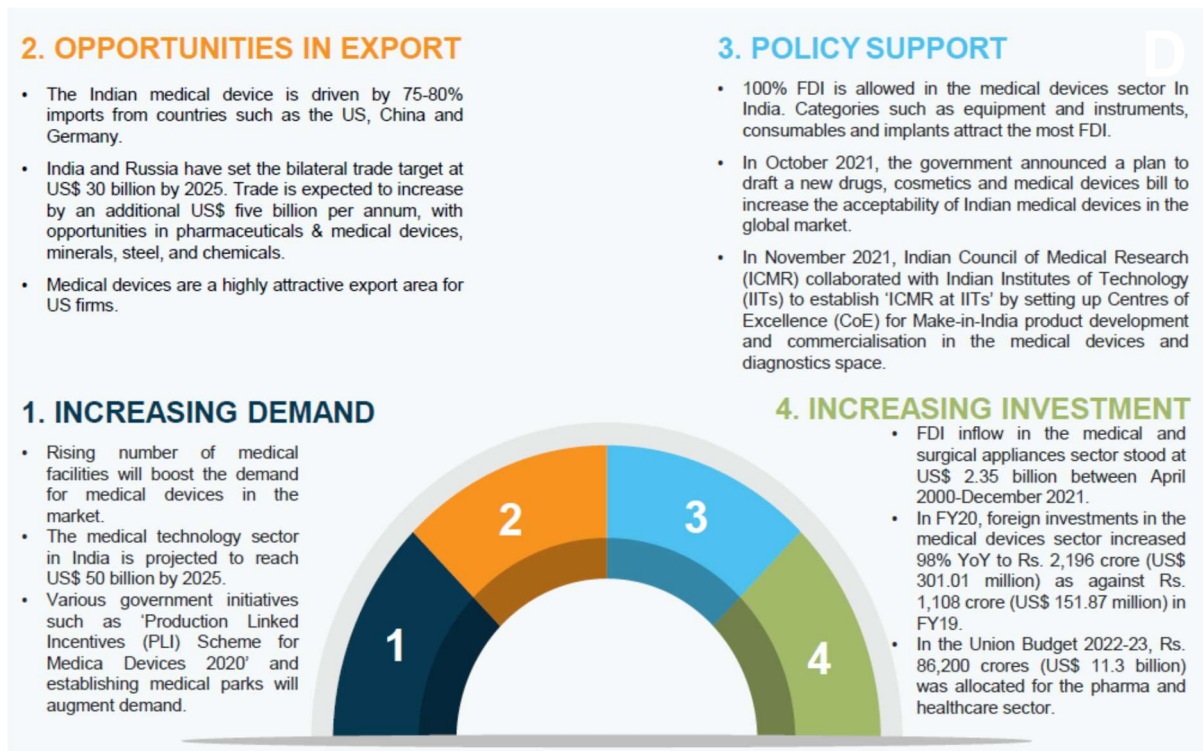
Medical devices such as anesthesia conduction filter, introducer sheath, microcatheter, imaging catheter colonic stents, pancreatic instruments etc. are included in this category.

**CLASS D (HIGH RISK)**

Medical devices such as coronary stents, cardiac catheterisation kits, cardiovascular, intravascular diagnostic catheters, occlusion catheters etc. are included in this category.

**ADVANTAGE INDIA**

Source: IBEF, MEDICAL DEVICES, March 2022



**INVESTMENTS**

To further incentivise investments in manufacturing medical devices, in May 2020, the government announced incentivisation plans of at least Rs. 3,420 crore (US\$ 4.9 billion) over a period of five years, and these funds will be offered to manufacturers only if they invest in set-ups to manufacture key medical devices

## GOVERNMENT INITIATIVES

- In the Union Budget 2022-23, Rs. 86,200 crores (US\$ 11.3 billion) was allocated as a budget for the pharmaceutical and healthcare sector.
- In November 2021, Indian Council of Medical Research (ICMR) collaborated with Indian Institutes of Technology (IITs) to establish ‘ICMR at IITs’ by setting up Centres of Excellence (CoE) for Make-in-India product development and commercialisation in the medical devices and diagnostics space. In October 2021, the government announced plan to draft a new drugs, cosmetics and medical devices bill to increase the acceptability of Indian medical devices in the global market.
- In October 2021, the government announced plan to draft a new drugs, cosmetics and medical devices bill to increase the acceptability of Indian medical devices in the global market.
- In October 2021, the government announced that 13 companies have been approved under the PLI scheme for medical devices, which are expected to boost domestic manufacturing in the country.
- The Government of India has recognised medical devices as a sunrise sector under the ‘Make in India’ campaign in 2014.
- In September 2021, the government sanctioned a proposal worth Rs. 5,000 crore (US\$ 674.36 million) to build a medical devices park in Himachal Pradesh’s industrial township, Nalagarh, in the Solan district.
- In September 2021, the government approved a medical devices park in Oragadam (Tamil Nadu) that is expected to attract an estimated investment of Rs. 3,500 crore (US\$ 472.05 million) and offer direct and indirect employment to ~10,000 people.
- In July 2021, the government announced to build medical park in Uttar Pradesh, which is expected to generate an estimated Rs. 500 crore (US\$ 67.13 million) business in the state.
- In June 2021, the Quality Council of India (QCI) and the Association of Indian Manufacturers of Medical Devices (AiMeD) launched the Indian Certification of Medical Devices (ICMED) 13485 Plus scheme to undertake verification of the quality, safety and efficacy of medical devices
- To boost domestic manufacturing of medical devices and attract huge investments in India, the department of pharmaceuticals launched a PLI scheme for domestic manufacturing of medical devices, with a total outlay of funds worth Rs.3,420 crore (US\$ 468.78 million) for the period FY21-FY28.
- In March 2021, the PLI Scheme for pharmaceuticals worth Rs. 15,000 crores (US\$ 1.96 billion) was launched. This scheme aims to enhance India’s manufacturing capabilities by increasing investment and production in the pharmaceutical and medical devices sectors and contribute to the availability of a wider range of affordable medicines for consumers.
- On March 25, 2021, the Department of Pharmaceuticals (DoP) released a revised notice on the Public Procurement Order (PPO), incorporating 19 medical devices in the revised guidelines of the PPO, which is expected to improve domestic medical devices manufacturing (and strengthen ‘Make in India’) and reduce import bills by ~Rs. 4,000 crore (US\$ 538.62 million).
- In order to expedite the clearance of medical devices such as nebulisers, oxygen concentrators and oxygen canisters in April 2021, the government made it easier to import critical medical devices by easing the requirements for clearance under the Legal Metrology Act (Packaging Rules 2011).
- The government also approved applications for nine eligible projects that are expected to lead to a total committed investment of ~Rs. 729.63 crore (US\$ 100.01 million) by the companies (e.g., Siemens Healthcare Private Limited, Allengers Medical Systems Limited (AMSL), Allengers OEM Private Limited (AOPL), Wipro GE Healthcare Private Limited, Nipro India Corporation Private Limited, Sahajanand Medical Technologies Private Limited, Innvolution Healthcare Private Limited, Integris Health Private Limited) and generate ~2,304 jobs.

## ACHIEVEMENTS IN THE SECTOR

In India, medical device manufacturing is costly because it requires high investments in scientific facilities. To combat this cost, the Government of Andhra Pradesh is establishing the Andhra Pradesh MedTech Zone (APMTZ), which will house all capital-intensive scientific facilities, laboratories, etc., and will be leased to manufacturers in Vishakhapatnam. This initiative will help decrease the cost of good-quality products.

## ROAD AHEAD

Policy makers in India will need to set out an action plan to reduce the country's dependency on medical devices/technology imports. At present, NITI Aayog is reportedly drawing up a strategic road map for medical devices similar to the incentive package that gives sizable capital subsidies for the electronics business, which helps boost local production of cell phones in the country.

Medical device companies should develop India as a manufacturing hub for domestic and international markets, undertake India-based innovation in combination with indigenous manufacturing, collaborate across the Make in India and Innovate in India schemes, and produce Low to Medium technology products to cater to the underpenetrated domestic markets.

### **COVID-19**

Source: IBEF, MEDICAL DEVICES, March 2022

According to AiMeD, before the outbreak of COVID-19, there were only 20 firms manufacturing 62 lakhs PPE kits per year, but within 2-3 months, the number of manufacturers listed with AiMeD increased to 140 with 25.55 crore annual capacity.

In September 2021, Welspun India received the US Food and Drug Administration (FDA) 510 (k) clearance for its 3-ply surgical masks.

In June 2021, the National Anti-profiteering Authority's (NAA) directed tax officials to ensure rate cut on Goods and Services Tax (GST) for COVID-19-related medical supplies to offer consumers tax relief on supplies.

In June 2021, medical devices manufacturer Meril announced that it has received approval from the Indian Council of Medical Research (ICMR) for its COVID-19 self-use rapid antigen test kit.

In April 2021, due to the unusual spike in covid infections and an increased number of patients requiring hospitalisation, the government allowed faster custom clearance for up to three months to import medical devices including nebulisers, oxygen concentrators, oxygen canister, cryogenic cylinders, oxygen generators and ventilators.

Similarly, the number of Indian firms manufacturing ventilators increased from 8 to 17, mask manufacturers from 30 to 108, swab manufacturers from zero to five, sanitiser manufacturers from 35 to 49 and RT PCR kit manufacturer from zero to eight

Hindustan Syringes and Medical Devices Ltd., the world's largest manufacturer of auto-disable syringes that are used for vaccination, plans to scale up production to 1 billion syringes a year (from 700 million) in the first-half of 2021, to push COVID- 19 vaccination. In March 2021, the company announced its plan to produce 8,200 syringes per minute—40% more than its current capacity of 5,900 syringes per minute.

In April 2021, Hindustan Syringes and Medical Devices (HMD) announced to invest >Rs. 100 crore (US\$ 13.47 million) to increase its syringe production capacity from 2.5 billion to >3 billion syringes by the next quarter.

In October 2021, the HMD achieved a milestone by supplying 500 million 0.5 ml AD syringes to the government to accelerate the vaccination drive and contribute to India's Atmanirbhar (self-reliance) mission. The company further plans to achieve annual capacity of 3.5 billion syringes by March 2022.

## OUR BUSINESS

*Following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Prospectus, including the information contained in the section titled 'Risk Factors', beginning on page 16 of the Prospectus.*

*This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' and chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page 16, 100 and 122, respectively, of the Prospectus.*

*Unless the context otherwise requires, in relation to business operations, in this section of the Prospectus, all references to "we", "us", "our" and "our Company" are to QMS Medical Allied Services Limited and Group Entities as the case may be.*

### Overview

Our Company is engaged in the marketing and distribution of a wide range of medical and healthcare devices and accessories. We market and distribute these products to various end users such as clinics, pharma and medical companies and also to individual users. These devices are sold directly in the brand of the manufacturer and also under our own brand. We have more than 600 SKUs which we sell to over 130 customers.

We have recently launched our brand "Q-Devices" with an intention to provide affordable and quality products in the market so as to become a customer preferred medical device company. We get our products manufactured in India from third party manufacturers, under our own brand. We market and sell them under our own brand "Q-Devices". The products sold under "Q-Devices" are affordable without compromising on the quality. We already have products such as glucometer, pulse oximeter, IR thermometer, BP Monitor, Anatomy set, Neurology kit, Orthopaedic Aids and Weighing Scales.

Our major medical products include:

- Blood Pressure Monitor
- Glucose Monitoring Kits & Strips
- Dental Products
- Personal Protection Kits
- Stethoscope
- Oxygen Concentrator
- pulse oximeter
- IR thermometer
- Anatomy set
- Orthopedic Aids and
- Weighing Scales
- Diagnostic Machines
- ECG Machines
- Nebulizer
- Ophthalmoscope
- Otoscope
- Pulse Oximeter
- Skin Stepler

We Also deal in medical consumables such as disinfectants, filters, infection prevention tools, compression bandages, wound management dressing kits and dental products amongst others.

We market and help in distribution of the products across India through offline and online mode by means of our own website i.e. [www.qmsmeds.com](http://www.qmsmeds.com). Through this website we provide online service to medical equipment dealers, distributors, surgeons and clinicians for sourcing medical supplies from our surgical supply store. We believe that this distribution network ensures that our products are easily available across India. We continue to engage in various marketing initiatives to build brand awareness and recall value for our products and to grow our market share. In addition to leveraging



and engaging our distribution network for marketing initiatives, we also undertake direct promotional initiatives like advertising our products through digital marketing.

Our Company also offers a range of evidence-based, scientific content medical programs, which are used in updating clinical knowledge and practices. Continuing medical education (CME) is a valuable mechanism to update physicians knowledge with ever-increasing plethora of contemporary advances within medical fraternity. We have been authorised by EACME (European Academy of CME) to market and conduct the medical programs offered by them in Indian market. The aim of these programs is to impart global perspective to Indian to medical fraternity. Our company aims to impact lives of people through continuous skill development and hence provides various medical courses like PG Diploma and MSC in Diabetes. We also conduct Masterclass, certificate and mentor mentee courses on behalf of ECAME.

We also organize various preventive and diagnostic camps (Patient Service Programs) in various therapy areas at our Health Care Partner (HCP) clinics pan India on behalf of various pharmaceutical companies. These camps also empower healthcare practitioners and help improve therapy outcomes for their patients. Some of the tests we organize are Diabetic Retinopathy, Cardiology, Ophthalmology, Gynecology, Neuropathy, Tonometry, Holter ECG, ABPM etc.

Our revenue from operations was ₹ 14632.29 lakhs, ₹ 12,203.36 lakhs and ₹ 7,273.96 lakhs respectively for Fiscal 2022, 2021 and 2020.

Our EBITDA was ₹ 1774.26 lakhs, ₹ 1695.13 lakhs and ₹ 961.21 lakhs for Fiscal 2022, 2021 and 2020 respectively. Our restated profit after tax was ₹ 1070.64 lakhs, ₹ 1091.75 lakhs and ₹ 635.35 lakhs respective for Fiscal 2022, 2021 and 2020 respectively.

The product-wise/services-wise revenue break-up in percentage format for last 3 years and stub period is as under:

( ` Lakhs)								
Particulars	FY 2018-2019	% of Total	FY 2019-2020	% of Total	FY 2020-2021	% of Total	FY 2022-2022	% of Total
B2b Sales Pharma - Others	4,870.68	93.86%	6,546.91	90.00%	11,039.23	90.46%	13,379.11	91.44%
B2b Sales Pharma – Q-Devices	0.00	0.00%	0.00	0.00%	510.57	4.18%	471.38	3.22%
Education	318.80	6.14%	727.05	10.00%	653.56	5.36%	758.63	5.18%
Camps	0.00	0.00%	0.00	0.00%	0.00	0.00%	23.17	0.16%
<b>TOTAL</b>	<b>5,189.48</b>	<b>100.00%</b>	<b>7,273.96</b>	<b>100.00%</b>	<b>12,203.36</b>	<b>100.00%</b>	<b>14,632.29</b>	<b>100.00%</b>

The details of imports made by company are as under:

( ` Lakhs)		
Financial Year / Period	Purchases	Educational Import
FY 19-20		202.71
FY 20-21		240.84
FY 21-22		256.98
<b>Total</b>	<b>2,795.34</b>	<b>700.53</b>

### Business response to COVID-19

Since the onset of the COVID-19 pandemic in March 2020, our Company has responded swiftly by implementing various processes to ensure our operations continue seamlessly. As we are engaged in marketing of medical equipments and devices, which helps the user to monitor their health from their home, our products such as oximeter, gluco meter, oxygen concentrator, nebulizer, BP monitor and medical consumables like personal protection kits, disinfection products were categorized under the essential goods' and our operations were not shut down during this pandemic. Further, these products also helped the user from visiting the hospitals during the lockdown. However, due to limited availability of logistics and supply chain constraints, we were impacted during the initial period of the lockdown. We continued our operation after making arrangements to meet the government's requirements on sanitization, people movement and social distancing. Home healthcare helps reduce hospital visits, thereby reducing hospital induced infections. While the effort to reduce hospital acquired infections is a continual battle, the raging COVID-19 pandemic and fear of infection has pushed people towards

virtual visits and home health products where hospitalization was not necessary e.g. digital blood pressure monitors, nebulizers, thermometers etc.

We have experienced sustained growth in our business in recent years, including currently during the ongoing outbreak of COVID-19. We consider that our swift response and proactive steps taken have mitigated the impact of COVID- 19 pandemic on our business and personnel thus far. The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors including those discussed in “Risk Factors” on page 16 of this Prospectus. We are continuously monitoring the economic conditions and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business. For more details, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 122 of this Prospectus.

## **OUR STRENGTHS**

### **1. Experienced Promoter and management team with strong industry expertise and successful track record**

The Promoter of our Company, Mahesh Makhija has significant industry experience and has been instrumental in the consistent growth of our Company’s performance. Mahesh Makhija has industry experience of around 27 years and possesses business intellect in the marketing and trading circles of pharma industry as they have been engaged in such business through family proprietary concern since 2 decades. Further our Company is managed by a team of experienced personnel. The team comprises of personnel having technical, operational, marketing and business development experience. We believe that our management team’s experience and their understanding of the pharmaceutical business will enable us to continue to take advantage of both current and future market opportunities.

For further details regarding the experience and qualifications of our management team please see “Our Management” on page 81 of this Prospectus. We believe that the knowledge and experience of our promoter and management will enables us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhance the growth in the business. We believe that our ability to identify, adapt to and capitalise on market developments has enabled us to stay at the forefront of market trends and develop a strong track record of achieving profitability and growth.

### **2. Existing well established goodwill and client relationships**

We manage a wide range portfolio of products which are being sold under our registered brand name “QDevices” and we are also engaged in marketing and distribution of other products. With our expanding business scope, we believe that our brand alongwith other brands, over these years has built a reputation by marketing and distributing wide range of medical products strong customer base and has established an unyielding marketing setup. We combine our expertise with an understanding of the healthcare market developed through market feedback and extensive interaction with various companies. We believe that we constantly try to address customer needs with a variety of products.

Our existing client relationships help us to get repeat business from our customers. This has helped us maintain a long term working relationship with our customers and improve our customer retention strategy. Through these efforts, we aim to become the “first choice vendor” for all large and small pharmaceutical and medical companies which intend to procure products and services we offer for distribution as part of the branding, marketing and medical awareness initiatives.

### **3. Asset light business model and competitive products**

Our business model for “QDevices” relies on our ability to design products that are of good quality, innovative and functional, through optimal sizing from a suitable manufacturer and we have long standing relationship with our vendors. This allows us to scale our operations quickly and the products are manufactured as per our specifications at a pre-determined cost and as per our quality standards without incurring any capital expenditure on manufacturing facilities.

We operate on an asset light business model which does not require us to invest heavily on physical assets such as plant and machinery, office equipments etc. and therefore we believe this business model allows us to be capital efficient. We believe our business model is scalable, such that we can expand our geographical reach and distribution capacity and add new products efficiently without disrupting our existing business. Further, this also helps us in better cash flow management and lower risk.

### **4. Quality assurance**

We believe that quality is an ongoing process of building and sustaining relationships. Our strength lies in understanding the requirements of the customer and our marketing and branding capabilities.

For risks related to our business, our Company and our industry, please see “Risk Factors” on page 16 of this Prospectus.

## **OUR STRATEGIES**

### **1. Leveraging our Marketing skills and Relationships**

This is a continuous process in our organization and the skills that we impart in our people to give prime importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. We plan to increase our customer base by supplying orders in hand on time, maintaining and renewing our relationship with existing clients.

### **2. Strengthening up our business through effective branding, promotional and digital activities for our customers**

Our Company caters to the Healthcare industry as solution provider for the branding and awareness initiatives. Our idea is not only to sell a product, but our company believes in building values through our alliance with various healthcare product manufacturers. With our long standing operations and quality services, we have built a strong relationship with our customers for increasing their brand awareness. We aim to become the “first choice vendor” for all large and small pharmaceutical and medical companies which intend to procure products and services we offer for distribution as part of the branding, marketing and medical awareness initiatives.

### **3. Providing Continuing Medical Education (CME) Solutions to Pharma companies for skill enhancement and knowledge updation for healthcare professionals**

Continuing medical education (CME) is a valuable mechanism to update physicians’ knowledge with ever-increasing plethora of contemporary advances within medical fraternity. Our company organizes and provides medical education modules to pharma companies for providing continuing education to physicians, nurses, nurse practitioners, physician assistants, pharmacists, and other healthcare professionals by partnering with EACME. These programs provide a global perspective from credible authentic courses with global Colleges and universities. Our Company organizes webinars, road shows, live seminars, global conferences etc. We also offer recorded lectures and online and print courses as provided by EACME.

## **DETAILS OF OUR BUSINESS**

### *LOCATION:*

*Registered Office:* A1 A2/B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055.

*Warehouse:* Godown no. 3/4/5/6/7 Half, Building No. A/5, Ground Floor, Prithvi Complex, Kalher Village, Bhiwandi.

### **Our Products and Services**

Our Company is engaged in the marketing and distribution of medical and healthcare devices and accessories. We have recently launched our brand “Qdevices”, with an intention to provide affordable and quality products in the market and strengthen our brand, the manufacturing of which is outsourced by us to third parties. We manage a wide range portfolio of products which are being sold under our registered brand name “QDevices” and we also manage distribution for other brands.

Our Company’s present product portfolio consists of various medical devices and equipment, a few of them are mentioned below:

#### **Medical Devices**

- Blood Pressure Monitor
- Diagnostic machines
- ECG

- Fetal Doppler
- Glucose Monitoring Kit and Glucose Monitoring Strips
- Test Kits
- Thermometer
- Nebulizer
- Ophthalmoscope
- Otoscope
- Oxygen Concentrator
- Pulse Oximeter
- Staplers
- Stethoscope

#### **Medical Consumables**

- Disinfection
- Filters
- Infection prevention tools
- Personal protection like PPE kits

#### **Miscellaneous products**

- Compression bandages
- Wound management dressing kits
- Dental products

#### **Continuing Medical Education Service (CME)**

Our Company also offers a range of evidence-based, scientific content medical programs, which are used in updating clinical knowledge and practices. Continuing medical education (CME) is a valuable mechanism to update physicians knowledge with ever-increasing plethora of contemporary advances within medical fraternity. We have been authorised by EACME (European Academy of CME) to market and conduct the medical programs offered by them in Indian market. The aim of these programs is to impart global perspective to Indian to medical fraternity.

Our Company conducts skill development and knowledge enhancement courses in coordination with EACME which has affiliation with:

- Royal College
- Leicester Diabetes Centre
- University of Birmingham
- St. George University
- South Asian Health Foundation
- University College of London

Our courses are conducted both in offline and online mode:

Different types of courses covered are:

- International Speaker Program
- Post Graduate Diploma program
- Mentor Mentee programs
- Masterclass courses
- Live seminar
- Recorded lectures

The said courses cover below mentioned specialties:

1. Cardio physician
2. Diabetologist

3. ENT
4. Gastroenterologist
5. Surgeons
6. Orthopaedic

### **CAMPS (PATIENT SERVICE PROGRAMS):**

We also organize various preventive and diagnostic camps in various therapy areas at our Health Care Partner (HCP) clinics pan India on behalf of various pharmaceutical companies. These camps also empower healthcare practitioners and help improve therapy outcomes for their patients. Some of the tests we organize are Diabetic Retinopathy, Cardiology, Ophthalmology, Gynecology, Neuropathy, Tonometry, Holter ECG, ABPM etc.

### **Our Distribution Network**

#### **Online and Offline Channels**

Our Company is engaged in the marketing and distribution of a wide range of medical products as well as medical education services. We market and sell the products across India through our own website i.e. <https://qmsmas.com>; [www.qmsmead.com](http://www.qmsmead.com) and other online and offline channels. Medical equipment dealers, distributors, surgeons, and clinicians can purchase medical equipment accessories, medical devices and medical equipment from our online surgical supply store.

Our major business is B2B Pharma Sales, apart from this we have retail sales and online presence as well.

**B2B Pharma Sales:** We have a warehouse with 10630 sq ft builtup area at Bhiwandi (leased). All our orders are shipped from our warehouse to pharmaceutical company's or distributors warehouse located at different places across India.

**Retail sales:** Our retail sales billing happens to a Super stockiest which in turn distributes to rest of country, this is very recent development and so far we have covered part of Mumbai some places in Gujarat and M.P.

**Online Sales:** Our products are available on our website [qmsmeds.com](http://qmsmeds.com), whatever order we get through online is dispatched from our warehouse at Bhiwandi. Apart from that we have also presence on Amazon with few products like Lint roller and Face Mask.

### **Branding, Sales, Marketing and Advertising**

Our Company caters to the Healthcare industry as solution provider for the branding and awareness initiatives. Our Company also offers digital marketing services to extend brand presence beyond regular calls. Our company helps brands in their medical awareness initiatives and improves their outreach. We have a defined set of guidelines which governs the branding, marketing and advertising initiatives of our product portfolio to ensure that these activities are in line with brand guidelines and identities. We employ an internal team of professionals that advertises and promotes the brand through visual merchandising, brand-awareness campaigns, social media and consumer relationship management.

In addition to traditional print media, digital and online; public relations is becoming an area of increased focus and spending. Our team through their experience and good rapport with clients owing to timely and quality delivery of products plays an instrumental role in creating new sales orders and expanding the current volume of our business year on year. In order to maintain good relation with customers, our promoters and our marketing team regularly interacts with them and focuses on gaining an insight into the additional needs of customers. Our prime consideration for customer selection is timely payments and consistency in purchases.

We distribute the products to our customers as per the published price lists and terms of sale (including prices, payment terms, shipping charges, Goods Return Policy, Credit Policy) in effect at the time of sale, as mentioned by the suppliers. We use the Trademark and corporate logo of the brands associated with us for the products sold by us without tampering with any markings, labels or other indication of the source of origin of the products, as agreed with our suppliers. Our company has an ecommerce platform called Qmeds- <https://qmsmeds.com>, which provides online service to medical equipment dealers, distributors, surgeons and clinicians for sourcing medical supplies from our surgical supply store.

We have recently launched our brand "Qdevices", with an intention to provide affordable and quality products in the market and strengthen our brand along with other brands.

### **Inventory management, Warehousing and Logistics**

We regard efficient inventory management as critical to the success of our business. Our inventory management processes include product allocation and store planning based on an assessment of sales potential and requirements. We have strict inventory management and monitoring practices, in order to manage an appropriate level of inventory for each of our products, to ensure sufficient supply. We plan our inventory procurement by forecasting demand for next quarter based on our targeted sales and inventory turnover and also based on our last quarter demand analysis. We generally endeavour to maintain inventory levels in lines with customer demand. We have taken a warehouse on lease basis for inventory management. We continuously look for opportunities to optimize our supply chain network as well as warehouse processes to optimize our efficiency and productivity. We rely on third party logistics providers, with whom we have verbal arrangements, to transport the products.

### **Quality Management**

Our Company is committed to providing high-quality products to our customers and endeavour to maintain a quality system, which provides products and services in a timely manner and at competitive prices to the satisfaction of customers by meeting their specified and implied needs. We are committed to continually improve this quality system.

### **Plant and Machinery & Technology**

Since we are a medical device suppliers and source our products from third parties, we do not own any major plant and machinery.

### **Collaborations**

We have not entered into any technical or other collaboration.

### **Infrastructure Facilities**

We require computers and laptops for our billing and data work. Our registered office is equipped with latest computer systems, relevant software's, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

### **Utilities**

#### **Power**

There is no major power requirement in our business and power is sourced locally.

### **Human Resource**

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We believe our employees are one of our most important assets and critical to maintaining our competitive position in our key geographical markets and in our industry. Our ability to maintain the growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. As on May 31, 2022, we had 51 full time employees other than Executive Directors.

The detailed break-up of our employees as on April 30, 2022 is summarized as under:

<b>Sr. No.</b>	<b>Category</b>	<b>Number of Employees</b>
1.	Senior Management	4
2.	Middle Level Management	35
3.	Other Employees	13
<b>Total</b>		<b>52</b>


### **Capacity and Capacity Utilization**

Capacity and capacity utilization is not applicable to us.

### **Export Possibilities & Export Obligation**

Currently, we do not have any outstanding export obligations.

### Intellectual Property

Particulars of the Mark	Applicant	TM Registration Certificate No.	Date of Issue	Issuing Authority	Class	Status
	Mahesh Makhija	3984077	May 3, 2019	Registrar of Trademarks	10	Registered

Vide letter dated April 1, 2022, Mahesh Makhija has accorded permission to the Company for making use of the said trademark for a period of 10 years. For further details, please see “Government and other Key Approvals” on page 134 of this Prospectus and for the information in relation to the risk relating to our intellectual property; please refer to the chapter titled “Risk Factors” on page 16 of this Prospectus.

### Competition

We compete with local and global companies operating in India. We face competition from various domestic and international manufacturers and traders and other players, most of them with generic products, showcasing no significant competitive advantage in terms of innovation or differentiation. Competition emerges from small as well as big players in the pharmaceutical industry. The organized players in the industry compete with each other by providing high quality, consistent and time bound products and value added services. We believe the principal elements of competition in pharmaceutical business are consistent and quality products, their prompt availability and strong relations with formulators and pharmaceutical manufacturers. We compete against our competitors by establishing ourselves as a knowledge-based company and we focus on providing products and services that would be in consonance with technical and quality requirements of our customer as well as we try to offer a competitive pricing model without compromise on the quality.

In the future, we may also face competition from new entrants in the segment. Some of these players may already have robust distribution networks, which could eat into our market share. Some of our competitors are larger than we are, have greater financial resources than we do, and may be able to deliver products on more attractive terms or to invest larger amounts of capital into their businesses, including expenditure for better and more efficient production capabilities.

### Properties

Our registered office is located at A1-A2/B1-B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055. Office No. A2 and B2 are owned by our Company.

Office No. A1 and B1 are owned by Mahesh Makhija and Guddi Makhija and our company vide agreement dated August 30, 2019 pays License fee of ₹ 2.50 lakhs p.m. along with Security Deposit of ₹ 15 lakhs.

### Rented Property

Name of the Licensor	Details of the Property	Purpose
Mrs Sheetal Bhavesh Maru, Bhavesh Somchand Maru, Mr. Somchand Hirji Maru, Mr. Bharat Somchand Maru, Mrs. Manisha Bharat Maru	Godown no. 3/4/5/6/7 Half Bldg No. A/5,Gr. Floor, Prithvi Complex, Kalher Village, Bhiwandi	Warehouse

### Insurance

Our operations are subject to hazards inherent in storing and transporting our products such as work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions, including hazards that may cause loss of life and severe damage to and the destruction of property and inventory. We maintain insurance for burglary policy and standard fire and special perils policy, which provides insurance cover against loss or damage by fire, earthquake, terrorism etc. and also, which we believe, is in accordance with customary industry practices.

## **KEY INDUSTRIAL REGULATIONS AND POLICIES IN INDIA**

*The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description below may not be exhaustive and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial, or administrative decisions. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain.*

*The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, please refer “Government and Other Approvals” on page 134. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts, and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws.*

*Following is an overview of some of the important laws and regulations, which are relevant to our business.*

### **The Drugs and Cosmetics Act, 1940**

The Drugs and Cosmetics Act, 1940 (“DCA”) regulates the import, manufacture, distribution and sale of drugs and cosmetics in India as well as aspects relating to labeling, packing and testing. The DCA also provides the procedure for testing and licensing of new drugs. The DCA also prohibits the import of certain categories of drugs and cosmetics. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities. Under the DCA, the Government may, by notification in the official gazette, regulate or prohibit the manufacture, sale or distribution of a drug, if it is satisfied that in the public interest, it is necessary or expedient to do so or that the use of such drug is likely to involve any risk to human beings or animals or that it does not have the therapeutic value claimed or purported to be claimed for it or contains ingredients and in such quantity for which there is no therapeutic justification. Penalties in terms of fine and imprisonment are prescribed under the DCA for contravention of its provisions.

#### **The DCA prohibits inter-alia the manufacture and sale of:**

- (i) drugs and cosmetics which are not of standard quality or are misbranded, adulterated or spurious
- (ii) any patent or proprietary medicine, unless the true formula or list of active ingredients is displayed in the prescribed manner on the label, together with the quantities thereof
- (iii) any drug which by means of any statement, design or device accompanying it or by any other means, purports or claims to prevent, cure or mitigate any such disease or ailment, or to have any such other effect as may be prescribed
- (iv) any cosmetic containing any ingredient which may render it unsafe or harmful for use under the directions indicated or recommended.

It further prohibits inter-alia the exhibition, offer for sale, distribution or sale of any drug or cosmetic which has been imported or manufactured in contravention of any of the provisions of DCA or any rule made there under.

### **The Drugs and Cosmetics Rules, 1945**

The Drugs and Cosmetics Rules, 1945 (“the Rules”) are applicable to the Company. The Rules have been enacted to regulate the, manufacture, distribution and sale of drugs and cosmetics in India. The Rules prescribe the drugs or classes of drugs or cosmetics or classes of cosmetics for the import of which a licence is required, and prescribe the form and conditions of such licence and specify the prescribed the procedure for submission of report to the Central Drugs Laboratory, of samples of drugs for analysis or test. Such licences can be cancelled or suspended in case any of the Rules are not adhered to or any of the conditions subject to which the licence is issued is not complied with.

## **LABOUR LAWS**

Depending upon the nature of the activities undertaken by our Company, certain applicable labour laws and regulations include the following:

### ***Child Labour (Prohibition and Regulation) Act, 1986***



The Child Labour (Prohibition and Regulation) Act, 1986, (“**CLPRA Act**”) provides for prohibiting engagement of children below 14 years in factories, mines and hazardous employments and regulates the conditions of their employment in certain other employments. The CLPRA Act aims to regulate the number of hours, period of work and holidays to be given to child labourers. It specifies that the employer has to mandatorily furnish certain information regarding employment of child labour to the inspector and maintain a register which would contain details regarding the child labourers. The CLPRA Act also provides for health and safety measures to be complied with by the employer.

#### ***Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979 (“ISMW Act”)***

The ISMW Act regulates the employment of inter-state migrant workmen and provides for their conditions of services and for matter connected therewith. Under the provisions of the ISMW Act, every principal employer of an establishment which employs five or more inter-state migrant workmen (whether or not in addition to other workmen) on any day of the preceding 12 months has to register his establishment under ISMW Act. The ISMW Act also requires the principal employers and contractors to maintain registers with such details of the migrant workmen as may be prescribed. Any violation of the provisions of the ISMW Act and Rules prescribed thereunder is imprisonment which may extend to two years or with fine which may extend to ₹ 2,000 or with both.

#### ***Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013***

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**SHWPPR Act**”) aims to provide women protection against sexual harassment at the workplace and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines ‘sexual harassment’ to include any unwelcome acts or a sexually determined behaviour (inter alia whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organisations, non-governmental organisations, organisations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an ‘internal complaints committee’ at each office or branch, of an organization employing at least 10 employees. Factors like mental trauma, medical expenses, loss in the career opportunity and income shall be considered while determining compensation. The duties of the employer and the district officer are provided in the SHWPPR Act.

#### ***The Maternity Benefit Act, 1961***

The Maternity Benefit Act, 1961, as amended (“**Maternity Benefit Act**”) on 1<sup>st</sup> April 2017 regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. However, the relevant provision on the “work from home” option will come into effect from 1<sup>st</sup> July 2017. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. The maximum period for which any woman shall be entitled to maternity benefit shall be 26 weeks, of which not more than Eight weeks shall precede the date of her expected delivery. For women who are expecting after having 2 children, the duration of paid maternity leave shall be 12 weeks (i.e., 6 weeks pre and 6 weeks post expected date of delivery). It also provides that every woman who adopts a child shall be entitled to 12 weeks of maternity leave, from the date of adoption. The MB Amendment Act has also introduced an enabling provision relating to “work from home” for women, which may be exercised after the expiry of the 26 weeks’ leave period depending on nature of work. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy. The MB Amendment Act makes crèche facility mandatory for every establishment employing 50 or more employees. Women employees would be permitted to visit the crèche 4 times during the day.

#### ***The Minimum Wages Act, 1948***

Under the Minimum Wages Act, 1948 (“**Minimum Wages Act**”) every employer is mandated to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the Minimum Wages Act, in respect of which minimum rates of wages have been fixed or revised under the Minimum Wages Act.

#### **Other Laws and Regulations**

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations. Our Company is also amenable to various central and state tax laws.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief History of our Company

Our Company was incorporated as QMS Medical Allied Services Private Limited on September 14, 2017 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration number 299748. The status of the Company was changed to public limited and the name of our Company was changed to QMS Medical Allied Services Limited vide Special Resolution dated October 22, 2020. The fresh certificate of incorporation consequent to conversion was issued on November 06, 2020 by the Registrar of Companies, Mumbai.

Our corporate identification number is U33309MH2017PLC299748.

The Promoter of our Company is Mahesh Makhija.

### Names of signatories to the Memorandum of Association of the Company and the number of Equity Shares subscribed by them:

The names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed for by them at the time of signing of the Memorandum of Association: 9,800 Equity Shares by Mahesh Makhija, 100 Equity Shares by Diti Makhija and 100 Equity Shares by Rani Makhija.

### Changes in our Registered Office:

Date of Change	Changed From	Change to	Reason for change
December 23, 2019	1A/1B, Vijaya Bhavan, Prabhat Colony, Rd-7, Reliance Sub Station, Santacruz (East), Mumbai – 400055, Maharashtra, India	A1 A2/B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055, Maharashtra, India	Administrative Reasons

### Major Events and Milestones

The table below sets forth some of the key events in the history of our Company:

Financial Year	Event
2017-18	Incorporation of our Company.
2018-19	Crossed 50 crore turnover
2020-21	Changed the status of our Company from Private to Public i.e. to QMS Medical Allied Services Limited
2020-21	Crossed 100 crore turnover

### Significant financial and strategic partners

As on the date of the Prospectus, our Company does not have any significant financial or strategic partners.

### Time and cost overrun

Our Company has not experienced any significant time and cost overrun since we are in trading business.

### Launch of Key Products or services

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, facility creation, location of our facilities, see “*Our Business*” beginning on page 68.

### Defaults or rescheduling of borrowings with financial institutions/ banks and conversion of loans into equity

There have been no defaults or rescheduling of borrowings with financial institutions in respect of our current borrowings from lenders.

**Material Acquisitions or Divestments of Business/Undertakings, Mergers, Amalgamations or Revaluation of Assets, in the last ten years**

Our Company has not undertaken any material acquisitions or divestments of business/undertakings, mergers, amalgamations, or revaluation of assets in the last ten years.

**Main Objects of our Company:**

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

To carry on in India or elsewhere the business to assemble, design, develop, display, demonstrate, repair, market, recondition, remodel, import, export, buy, sell, resale, research, trade in a wide variety of all classes and kind of surgical goods, equipments, instruments and machinery including but not limited to ostinmure D.C.P. Plates, cortical screws, researchers plates, X-Ray machines, Ultra sound machines sonars, ECG machines, echo cardiographic machines, electro surgical instruments, digital B.P. instruments, medical apparatuses instruments, injections and all other tools required for medical and surgical operations in hospitals, dispensaries, medical centres and their parts, fittings, components and accessories thereof and for that purpose, to act as agents, brokers, stockists, suppliers, consultants, collaborators of branded clinics, transport agents, shippers, commission agents, representatives, distributors, contractors, export and import agents or otherwise and to carry in-house research or to establish, develop and maintain testing house, workshop and laboratory for own use by engaging in the research and development for development, investigation and invention, both scientific and technical and to promote studies and research by conducting workshop, seminars, lectures, meetings and conferences and by providing the remuneration of scientific or technical professors or teachers and generally to encourage promote and reward studies, researches, investigation, experiment, tests and invention of any kind that may be considered likely to assist the business of the Company.

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out as well as to carry on the activities for which the funds are being raised in the Issue.

**Amendments to the Memorandum of Association**

The following changes have been made in the Memorandum of Association of our Company since inception:

Particulars of Change	Date of Shareholders’ Meeting	AGM/ EGM
Increase in Authorised capital from ₹1,00,000 consisting of 10,000 Equity shares of ₹10.00 each to ₹5,00,00,000 consisting of 50,00,000 Equity shares of ₹10.00 each.	November 20, 2019	EGM
Change in name to ‘QMS Medical Allied Services Limited’	October 22, 2020	EGM
Increase in Authorised capital from ₹5,00,00,000 consisting of 50,00,000 Equity shares of ₹10.00 each to ₹18,00,00,000 consisting of 1,80,00,000 Equity shares of ₹10.00 each.	May 12, 2022	EGM

**Changes in the Management**

There has been no change in the management of our Company since incorporation.

**Defaults or rescheduling of borrowings from financial institutions/ banks and conversion of loans into equity**

No defaults have been called by any financial institution or bank in relation to borrowings from financial institutions or banks. For details of our financing arrangements, please refer “*Financial Indebtedness*” on page 130. Further, except as stated in the section “*Capital Structure*” beginning on page 43, none of our loans have been rescheduled or been converted into Equity Shares.

**Lock outs and strikes**

There have been no lock outs or strikes at any of the units of our Company.

**Time and cost overruns**

Our Company has not implemented any projects and has not, therefore, experienced any time or cost overrun in relation thereto.

**Details regarding acquisition of business/undertakings, mergers, amalgamations, and revaluation of assets**

Our Company has not acquired any business or undertaking, and has not undertaken any merger, amalgamation, or revaluation of assets.

**Holding Company of our Company**

As of the date of the Prospectus, our Company does not have any holding Company.

**Subsidiary of our Company**

As of the date of the Prospectus, our Company does not have a subsidiary company.

**Collaboration Agreements**

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

**Shareholders' Agreements**

As on the date of the Prospectus, our Company has not entered into any shareholders' agreements.

**Material Agreements**

We have not entered into any material contract, not being a contract entered into in the ordinary course of business carried on or intended to be carried on by us or contract entered into more than two years before the filing of the Prospectus.

**Number of Shareholders**

Our Company has 7 (seven) shareholders on date of the Prospectus.

## OUR MANAGEMENT

### Board of Directors

Under our Articles of Association, we are required to have not less than three directors and not more than 15 Directors. As on the date of this Prospectus, we have 4 Directors on our Board.

Set forth below are details regarding our Board as on the date of this Prospectus:

Name, Designation, Address, Date of Birth, Age, Occupation, Term, Period of Directorship and DIN	Other Directorships
<p><b>Mahesh Makhija</b></p> <p><i>Designation: Chairperson &amp; Managing Director</i></p> <p><i>Address: 1101, Magnolia, 8th Road, Near V N Desai Hospital, Golibar, Mumbai-400055, Maharashtra, India</i></p> <p><i>Date of Birth: May 15, 1969</i></p> <p><i>Age: 53 years</i></p> <p><i>Occupation: Business</i></p> <p><i>Term: Appointed as Managing Director w.e.f. November 25, 2020 for a period of Five years i.e. till November 24, 2025 and liable to retire by rotation.</i></p> <p><i>Period of Directorship: Director since incorporation</i></p> <p><i>DIN: 02700606</i></p>	<ul style="list-style-type: none"> <li>• Queen's Promotional Services Private Limited</li> <li>• UMC Medical Allied Services Private Limited</li> <li>• ABAE Technologies Private Limited</li> <li>• Mayukh Healthcare Services LLP</li> </ul>
<p><b>Guddi Makhija</b></p> <p><i>Designation: Non Executive Director</i></p> <p><i>Address: 1101, Magnolia, 8th Road, Near V N Desai Hospital, Golibar, Mumbai-400055, Maharashtra, India.</i></p> <p><i>Date of Birth: October 16, 1971</i></p> <p><i>Age: 50 years</i></p> <p><i>Occupation: Business</i></p> <p><i>Term: Redesignated as Non Executive Director w.e.f. June 9, 2022, liable to retire by rotation.</i></p> <p><i>Period of Directorship: Director since August 19, 2020.</i></p> <p><i>DIN: 08837871</i></p>	<ul style="list-style-type: none"> <li>• UMC Medical Allied Services Private Limited</li> </ul>
<p><b>Niken R. Shah</b></p> <p><i>Designation: Non-Executive and Independent Director</i></p> <p><i>Address: 36/1053 Saphalya CHS, Near Sahakar Market, Pantnagar, Ghatkopar (East), Mumbai – 400075, Maharashtra, India</i></p> <p><i>Date of Birth: August 29, 1990</i></p>	<p>Companies:</p> <ul style="list-style-type: none"> <li>• Uravi T And Wedge Lamps Limited</li> <li>• Roopshri Resorts Limited</li> <li>• Deltech Priam Chemicals India Private Limited</li> <li>• Esya.Studio India Private Limited</li> </ul>

<p>Age: 32 years</p> <p>Occupation: Business</p> <p>Term: Appointed as Non-Executive Independent Director for a period of Five years w.e.f. June 9, 2022 to June 8, 2027 and is not liable to retire by rotation</p> <p>Period of Directorship: Director since March 11, 2022</p> <p>DIN: 07604022</p>	<p>LLPS</p> <ul style="list-style-type: none"> <li>• Expandi Systems Asia LLP</li> <li>• Ashtmangal Advisory Services LLP</li> <li>• Wilson Composites India LLP</li> <li>• Click Aviation Network India LLP</li> <li>• ABC Shi Hospitality LLP</li> </ul>
<p><b>Prajwal J. Poojary</b></p> <p>Designation: Non-Executive and Independent Director</p> <p>Address: B/208 Saidham Building, Modi Patel Road, Bhayandar West, Mumbai – 400075, Maharashtra, India</p> <p>Date of Birth: December 10, 1988</p> <p>Age: 33 years</p> <p>Occupation: Service</p> <p>Term: Appointed as Non-Executive Independent Director for a period of Five years w.e.f. June 15, 2022 to June 15, 2027 and is not liable to retire by rotation</p> <p>Period of Directorship: Director since June 15, 2022</p> <p>DIN: 07480513</p>	<p>Nil</p>

### Relationship between our Directors

- Guddi Makhija is spouse of Mahesh Makhija.

### Brief Profile of our Directors

**Mahesh Makhija**, aged 53 years is the founding Promoter, Chairperson & Managing Director of Our Company. He is an under graduate. He has around 28 years of rich experience in the field of medical and healthcare devices Industry. He is currently responsible for formulating business strategies and oversight of day to day functioning of our Company.

**Guddi Makhija**, aged 50 years is the Non-Executive Director of our Company. She has completed her Bachelors Degree of Homeopathic Medicine and Surgery by Bombay University in the year 1995 and received a certificate of practitioner by Maharashtra Council of Homoeopathy, Mumbai in the year 1995. She possesses over 25 years of experience in the field of Homeopathic Medicine. She is associated with Insight Integrated Wellness as a facilitator and contributes by providing workshops on Stress Management and discovery of potential.

**Niken R. Shah** aged 32 years, is the Non-Executive Independent Director of the Company. He has completed his Bachelor's degree in Law (LLB) from University of Mumbai. He is having over 7 years of experience in the field of Legal work, Indirect Taxation, Corporate Compliances, RBI as well as Foreign Compliances.

**Prajwal J. Poojari** aged 33 years, is the Non-Executive Independent Director of the Company. He has completed his Bachelor's degree in Commerce from University of Mumbai and is also an Associate member of the Institute of Chartered Accountants of India. He is a practicing chartered accountant and is having over 8 years of experience in the field of audit and accounting.

**Further Confirmations:**

- There are no arrangements or understanding with major shareholders, customers, suppliers, or others, pursuant to which any of the Directors were selected as a Director.
- There is no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- None of the Directors is declared as wilful defaulters by the RBI or any bank or financial institution or consortium thereof.
- None of our Promoters or Directors of our Company are declared Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such company.
- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such company.
- None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms of companies in which they are interested by any person either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.
- No proceedings/ investigations have been initiated by SEBI against any company, the board of directors of which also comprises any of the Directors of our Company. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms of companies in which they are interested by any person either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.

**Compensation of our Directors**

**Terms and conditions of employment of our Managing Director**

The compensation package payable to the Executive Directors and Non – Executive Directors (Excluding Independent Directors) for F.Y 20-21 onwards as resolved in the Annual General meeting dated November 25, 2020 is stated hereunder:

Name	Designation	Maximum limit of Remuneration / Compensation(including other benefits)
Mahesh Makhija	Chairperson & Managing Director	₹ 168.00 lakhs per annum

**Mahesh Makhija** was appointed as Managing Director of our Company *vide* AGM dated November 25, 2020, for a period of five years commencing from November 25, 2020 for a remuneration of upto Rs. 168.00 lakhs per annum.

The remuneration / Compensation (including other benefits) paid to our Executive and Non Executive Director by our company / subsidiary Companies/ associate Companies, for financial year ended March 31, 2022 is as follows:

Sr. No.	Name of Director	Remuneration / Compensation paid
1.	Mahesh Makhija	74.00
2.	Guddi Makhija	7.05

(₹ in lakhs)

### Remuneration details of our Non-Executive and Independent Directors

Pursuant to the resolution dated December 25, 2020 passed by the Board of Directors of our Company, the Non-Executive Independent Directors of our Company would be entitled to a sitting fee of ₹ 10,000 for attending every meeting of Board or its committee thereof.

### Bonus or Profit-Sharing Plan of the Directors

None of our Directors are party to any bonus or profit-sharing plan of our Company.

### Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares. As on date of the Prospectus, our Directors hold the following number of Equity Shares of our Company:

Name of Directors	Number of Equity Shares Held (Pre-Issue)	Percentage of pre-Issue capital
Mahesh Makhija	1,47,48,840	98.00%
Guddi Makhija	1,50,500	1.00%

### Interest of Directors

- Our Non-Executive Non-Independent Directors and Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and Committees thereof and reimbursement of expenses available to them and commission payable to them as approved by our Board. All our Executive Directors may be deemed to be interested to the extent of other remuneration and reimbursement of expenses payable to them.
- Our Company has formally taken our office at A1-B1, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055, from our Promoter and Promoter Group, Mahesh Makhija and Guddi Makhija through a Leave and License Agreement dated August 30, 2019 on a monthly rent of ₹ 2.50 lakhs p.m. along with Security Deposit of ₹ 15 lakhs.
- Our Promoters may be deemed to be interested in the promotion or formation of our Company. Our Directors may also be regarded as interested in the Equity Shares held by them, if any (together with dividends and any other distributions in respect of such Equity Shares).
- Further, none of our Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.
- No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him as, as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.
- Except as disclosed in “Financial Statements” beginning on page 100 and as disclosed in this section, none of our Directors have any interest in our business.
- Further, except as disclosed in “Financial Statements” beginning on page 100, no loans have been availed by our Directors from our Company.

### Changes in our Board during the Last Three Years

Except as disclosed below, there have been no changes in our Board during the last three years:

Name of Director	Date of change	Reason
Guddi Makhija	August 19, 2020	Appointed as Non-Executive Director
Rani Makhija	September 1, 2020	Resignation
Mahesh Makhija	November 25, 2020	Re-designation as Chairperson & Managing Director
Guddi Makhija	November 25, 2020	Re-designation as Whole-time Director



Name of Director	Date of change	Reason
Diti Makhija	November 25, 2020	Re-designation as Non-Executive Director
Gautam Khanna	December 07, 2020	Appointment as Independent Director
Raju Bhatia	December 26, 2020	Appointment as Independent Director
Gautam Khanna	December 13, 2021	Resignation
Niken R. Shah	March 11, 2022	Appoint as Additional Independent Director
Raju L. Bhatia	June 7, 2022	Resignation
Diti Mahesh Makhija	June 7, 2022	Resignation
Guddi Makhija	June 9, 2022	Redesignated as Non-executive Director
Niken R. Shah	June 9, 2022	Appointed as Independent Director
Prajwal J. Poojari	June 15, 2022	Appointed as Independent Director

### Borrowing Powers of our Board

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their meeting held on November 25, 2020, our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) exceed the paid up capital and free reserves of the Company provided such amount does not exceed ₹1,00,00,00,000 (Rupees Hundred Crores Only) in excess of its paid up capital and free reserves which may have not been set apart for any purpose.

### Corporate Governance

The provisions of the SEBI (LODR) Regulations with respect to corporate governance will also be applicable to our Company immediately upon the listing of our Equity Shares with the Stock Exchange. Our Company is in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, the SEBI (ICDR) Regulations and the Companies Act, 2013 in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, to the extent applicable. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act and the SEBI (LODR) Regulations, to the extent applicable our Board of Directors consists of 4 (four) Directors (including one woman Director) of which three are non-executive Independent Directors which is in compliance with the requirements of Regulation 17 of SEBI (LODR) Regulations.

### Committees of our Board

Our Board has constituted the following committees including those for compliance with corporate governance requirements:

a. **Audit Committee**

Our Audit Committee was constituted pursuant to a resolution of our Board dated June 15, 2022. The Audit Committee comprises:

Name of Director	Status in Committee	Nature of Directorship
Prajwal J. Poojari	Chairman	Independent Director
Niken R. Shah	Member	Independent Director
Guddi Makhija	Member	Non-Executive and Non-Independent Director

The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

Set forth below are the scope, functions, and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations.

A. **Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise if it considers necessary.

*B. Role of Audit Committee*

The role of the Audit Committee shall include the following:

- Oversight of our Company'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, re-appointment and replacement, remuneration and terms of appointment of auditors of our Company;
- 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:
  - 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;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Modified opinion(s) in the draft audit report.
- Reviewing, the quarterly financial statements with the management 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;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of our Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of our Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters;
- 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 commencement of the audit, 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 establish and review the functioning of the whistle blower mechanism;
- Approval of appointment of the chief financial officer (*i.e.*, the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, and background, etc. of the candidate;
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the SEBI (LODR) Regulations or by any other regulatory authority; and
- Review of (1) management discussion and analysis of financial condition and results of operations; (2) statement of significant related party transactions (as defined by the audit committee), submitted by management; (3) management letters / letters of internal control weaknesses issued by the statutory auditors; (4) internal audit reports relating to internal control weaknesses; (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; (6) statement of deviations including (a) quarterly

statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (LODR) Regulations; (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI (LODR) Regulations.

As required under Regulation 18 of the SEBI (LODR) Regulations, the Audit Committee shall meet at least four times in a year, and not more than four months shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

**b. Stakeholders’ Relationship Committee**

The Stakeholders’ Relationship Committee was constituted by a resolution of our Board dated June 15, 2022. The Stakeholders’ Relationship Committee comprises:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Prajwal J. Poojari	Chairman	Independent Director
Niken R. Shah	Member	Non-Executive and Non-Independent Director
Guddi Makhija	Member	Independent Director

The Company Secretary of the Company shall act as the Secretary of the Stakeholders’ Relationship Committee.

Set forth below are the terms of reference of our Stakeholders’ Relationship Committee.

- To look into the redressal of grievances of shareholders, debenture holders and other security holders;
- To investigate complaints relating to allotment of shares, approval of transfer or transmission of shares;
- To consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends; and
- To carry out any other function as prescribed under the SEBI (LODR) Regulations as and when amended from time to time.

**c. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee was constituted by our Board on June 15, 2022. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations. The Nomination and Remuneration Committee include the following:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Niken R. Shah	Chairman	Independent Director
Prajwal J. Poojari	Member	Independent Director
Guddi Makhija	Member	Non-Executive and Non-Independent Director

The Company Secretary of the Company shall act as the Secretary of the Nomination and Remuneration Committee.

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Set forth below are the terms of reference of our Nomination and Remuneration Committee.

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel, and other employees. The Nomination and Remuneration Committee shall, while formulating such policy ensure that (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully; (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- Devising a policy on diversity of board of directors;

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director’s performance;
- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**d. Corporate Social Responsibility Committee**

Our Board has constituted the Corporate Social Responsibility Committee vide Board Resolution June 15, 2022 in accordance with section 135 of the Companies Act, 2013. The Corporate Social Responsibility Committee comprises of:

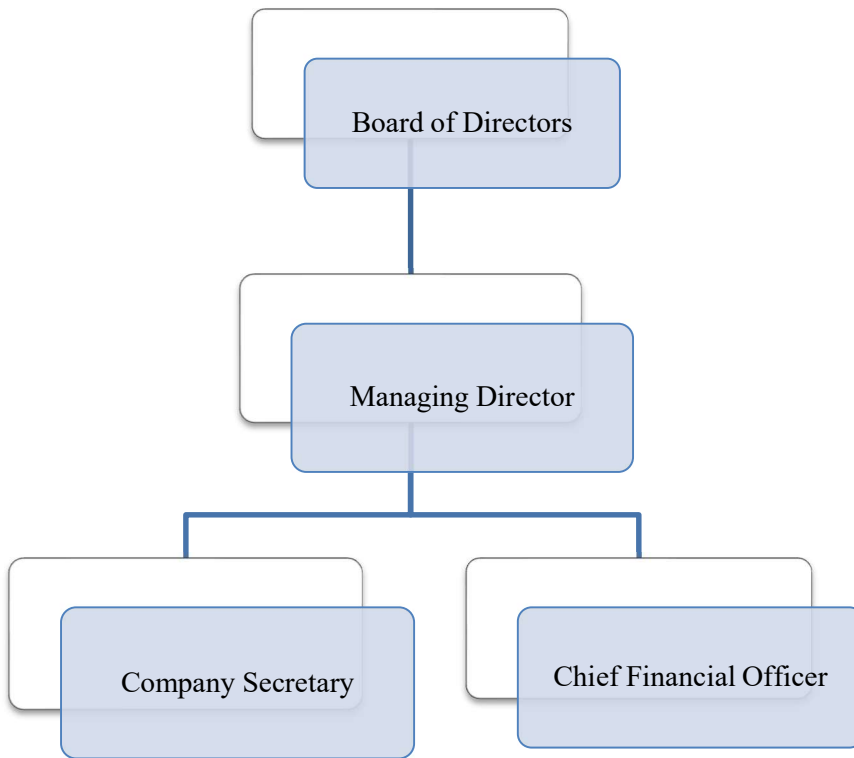
<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Niken R. Shah	Chairman	Independent Director
Prajwal J. Poojari	Member	Independent Director
Mahesh Makhija Makhija	Member	Chairperson and Managing Director

The Company Secretary of our Company acts as the Secretary to the Committee.

The terms of reference, powers and scope of the Corporate Social Responsibility Committee of our Company is in accordance with Section 135 of the Companies Act, 2013. The terms of reference of the Corporate Social Responsibility Committee include the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII as amended from time to time;
- To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) subject to the limit provided under Section 135 of the Companies Act;
- To monitor the corporate Social Responsibility Policy of our Company from time to time;
- To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;
- Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

**ORGANIZATION STRUCTURE**



## OUR KEY MANAGERIAL PERSONNEL

Set forth below are the details of our key managerial personnel in addition to our Managing Director, Whole-time Director as on the date of the Prospectus. For details of our Managing Director, Whole-time Director please refer “*Our Management*” on page 81.

**Sejal Mhatre**, aged 45 Years, is the Chief Financial Officer of our Company. She has completed her bachelors in commerce from University of Mumbai. She has experience of over 18 years in accounts and finance including. She has been associated with our Company as the Chief Financial Officer with effect from December 4, 2020. The remuneration paid to her during fiscal ended March 31, 2022 was ₹8.40 lakhs .

**Toral J. Bhadra**, aged 31 years, is the Company Secretary & Compliance Officer of our Company. She is a qualified Company Secretary. She has professional experience of approximately over 5 years in the field of Company Law and secretarial compliances. She has been associated with our Company since December 7, 2021. he remuneration paid to her during fiscal ended March 31, 2022 was ₹0.68 lakhs .

### Shareholding of KMP

None of the above mentioned key managerial personnel hold any Equity Shares in our Company. For details of shareholding of our Directors and key managerial personnel, please refer “*Capital Structure*” on page 43.

### Status of Key Managerial Personnel

All our key managerial personnel are permanent employees of our Company.

### Nature of family relationship

None of the above mentioned key managerial personnel are related to each other and neither are they related to our Promoters or Directors.

### Arrangements and Understanding with Major Shareholders

None of our key managerial personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers, or others. For more information, refer “*History and Certain Other Corporate Matters*” on page 78.

### Bonus or Profit-Sharing Plan for our Key Managerial Personnel

As on the date of this Prospectus our Company does not have any performance linked bonus or profit-sharing plan with any of our key managerial personnel.

### Loans to Key Managerial Personnel

There is no loan outstanding against any of the key managerial personnel as on date of this Prospectus.

### Interest of Key Managerial Personnel

Except as disclosed in “*Interest of Directors*” on page 84 in respect of Directors, no other Key Managerial Personnel of our Company has any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. There is no contingent or deferred compensation accrued for the year payable to the Key Managerial Personnel, even if the compensation is payable at a later date.

Further, the Key Managerial Personnel may be regarded as interested in the Equity Shares held by them, if any, (together with dividends and any other distributions in respect of such Equity Shares). No loans have been availed by our Key Managerial Personnel from our Company.

### Employees Stock Option Scheme

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of the Prospectus.

#### **Payment or Benefit to officers of our Company**

Except as disclosed in this Prospectus, no amount or benefit has been paid or given or is intended to be paid or given to any of our Company's employees including the Key Management Personnel within the two years preceding the date of filing of this Prospectus, except for the payment of remuneration or commission for services rendered as an officer of our Company.

#### **Changes in our Company's Key Managerial Personnel during the last three years**

Except as disclosed below, there have been no changes in our Key Managerial Personnel during the last three years

<b>Name of Employee</b>	<b>Date of appointment</b>	<b>Date of cessation</b>	<b>Reason</b>
Deepali Malpani	December 25, 2020	November 27, 2021	Resignation
Sejal Mhatre	December 4, 2020	-	Appointed as CFO
	December 7, 2021		Appointed as company Secretary and Compliance Officer
Toral J. Bhadra			

## OUR PROMOTERS AND PROMOTER GROUP

### Individual Promoter:

#### 1. Mahesh Makhija

### Details of our Promoters



**Mahesh Makhija**, aged 53 years is the founding Promoter, Chairperson & Managing Director of Our Company. He is an under graduate. He has around 28 years of rich experience in the field of medical and healthcare devices. He is currently responsible for formulating business strategies and oversight of day to day functioning of the Company.

For a complete profile of Mahesh Makhija, and other directorships, please refer “*Our Management*” on page 81.

**Passport No:** L7358088

**PAN:** AACPM0118M

**Address:** 1101, Magnolia, 8th Road, Near V N Desai Hospital, Golibar, Mumbai-400055, Maharashtra, India

As on date of the Prospectus, Mahesh Makhija holds 1,47,48,840 Equity Shares representing 98.00% of the pre-issue paid-up share capital of our Company.

**Declaration:** We confirm that the Permanent Account Number, Bank Account Number(s); Passport Number; Aadhaar card number and driving license number of our Promoter has been submitted to NSE on whose Emerge Platform the Equity Shares are proposed to be listed, at the time of filing the Draft Prospectus.

### Interest of our Promoters

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) of their shareholding and the shareholding of relatives in our Company and the dividend payable, if any and other distributions in respect of the Equity Shares held by them or the relatives; (iii) of being Managing Director and Key Management Personnel of our Company and the remuneration, sitting fees and reimbursement of expenses payable by our Company to him; (iv) that he has mortgaged his personal properties and provided personal guarantees for the loans availed by our Company; (v) of being a subscriber to the Memorandum of Association of our Company; (v) of his relatives having been appointed to places of profit in our Company; and (vi) that our Company has undertaken transactions with them, or their relatives or entities in which our Promoter hold shares. For details regarding the shareholding of our Promoter in our Company, please refer “*Capital Structure*”, “*Our Management*” and “*Related Party Transactions*” on pages 43, 81 and 118, respectively.

Other than as mentioned below, our Promoters do not have any interest in any property acquired by our Company within two years of the date of this Prospectus or proposed to be acquired by it or in any transaction in acquisition of land and construction of building etc. Further, our Promoter do not have any interest in any supply of machinery to our Company.

Our Company has formally taken our office at A1-B1, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055, from our Promoter and Promoter Group, Mahesh Makhija and Guddi Makhija through a Leave and License Agreement dated August 30, 2019 on a monthly rent of ₹ 2.50 lakhs p.m. along with Security Deposit of ₹ 15 lakhs.

Other than as disclosed in the section “*Related Party Transaction as Restated*” on page 118, there are no sales/purchases between our Company and our Promoter and Promoter Group and Group Companies where such sales or purchases exceeding in value in the aggregate 10% of the total sales or purchases of our Company or any business interest between our Company, our Promoter, our Promoter Group and Group Entities as on the date of the last audited financial statements.

Our Promoters may also be deemed to be interested in our Company to the extent of the personal guarantees given by them for the loans availed by our Company. For further details, please see the chapter titled “*Financial Indebtedness*” beginning on page 100 of this Prospectus.



Our Promoters are not members of any firm or company having any interest in the Company for which any sums are paid or agreed to be paid to either of our Promoters or to the firm or company in cash or shares or otherwise by any person either to induce our Promoters to become, or to qualify our Promoters as, a director, or otherwise for services rendered by our Promoters or by the firm or company, in connection with the promotion or formation of the Company.

### **Change in the management and control of our Company**

There has been no change in the management and control of our Company since incorporation.

### **Group Company**

For details of our group entities, please refer “Our *Group Entities*” on page 95 of the Prospectus.

### **Payment of Benefit to Promoters**

Except as stated above in “– *Interest of Promoters*” and in “*Financial Statements- Annexure XV – Statement of Related Party Transactions*” on pages 92 and 98 of the Prospectus, there has been no payment of benefits to our Promoters, members of our Promoter Group and Group Entities, during the two years preceding the filing of the Prospectus.

### **Material Guarantees**

Our Promoters have not given any material guarantees to any third parties with respect to the Equity Shares, as on the date of this Prospectus.

### **Common Pursuits**

Our Promoter Group Entities namely, Queens Marketing Services and UMC Medical Allied Services Private Limited have objects similar to our Company. We have not entered into any non-compete agreement with the said entities.

### **Litigation**

For details relating to legal proceedings involving the Promoters, please refer ‘*Outstanding Litigations and Material Developments*’ on page 131 of the Prospectus.

### **Other Confirmations**

Our Promoters and their relatives have not been declared as Wilful Defaulters and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them.

None of our Promoters or Directors are Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of the Promoters, Promoter Group entities or Group Companies have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Offer against our Promoters, except as disclosed under the chapter titled “Outstanding Litigation and Material Developments” beginning on page 131 of this Prospectus.

Except as disclosed in “*Related Party Transactions*” on page 118, our Promoters are not related to any of the sundry debtors or beneficiaries of loans and advances of our Company.

Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

### **Guarantees**

Our Promoters have not given any guarantee to any third party as of the date of the Prospectus.

**Companies with which our Promoters have disassociated in the last three years**

Our Promoters have not disassociated themselves as a promoter(s) from any Company in three years preceding the date of the Prospectus.

## **OUR PROMOTER GROUP**

In addition to the Promoters named above, the following individuals and entities form part of the Promoter Group:

### **A. Individuals forming part of Promoter Group:**

<b>Relationship</b>	<b>Mahesh Makhija</b>
Father	<b>Palraj Makhija</b>
Mother	Rani Makhija
Spouse	Guddi Makhija
Brother	--
Sister	Kiran Bhatija
Son	Udit Makhija
Daughter	Diti Makhija
Spouse's Father	Late Shyam Bhatia
Spouse's Mother	Late Madhu Bhatia
Spouse's Brother	Harish Bhatia
Spouse's Sister	--

### **B. Entities forming part of Promoter Group:**

#### ***Companies***

*Queen's Promotional Services Private Limited*  
*UMC Medical Allied Services Private Limited*  
*ABAE Technologies Private Limited*

#### ***LLPs***

*Mayukh Healthcare Services LLP*

#### ***Partnership Firms***

Queens Marketing Services

#### ***H.U.F.***

Nil

#### ***Proprietary concern***

Nil

#### ***Other Persons forming part of Promoter Group***

*Mayukh Foundation*

## **OUR GROUP ENTITIES**

As per the requirements of SEBI (ICDR) Regulations, for the purpose of identification of ‘Group Companies’, our Company considered companies as covered under the applicable accounting standards, being AS 18 (as mentioned in our restated financial statements), or other companies as considered material by our Board.

Accordingly, our Board has identified following entities as our Group Companies, and other than these entities, there are no companies which are considered material by the Board to be identified as group companies. Set forth below are details of our Group Companies as on the date of this Red Herring Prospectus.

### **1. UMC Medical Allied Services Private Limited (UMC)**

#### ***Corporate Information***

UMC is a private company and was incorporated on September 3, 2021 under the Companies Act, 2013. The Corporate Identification Number of UMC is U74999MH2021PTC366914. Registered Office of UMC is located at 1B, Navkala Bharati CHSL, TPS-V, Road, 3 Prabhat Colony, Santacruz East, Mumbai – 400055, Maharashtra, India.

#### ***Nature of activities***

UMC is authorized to inter alia engage in the business of medical related services and including conducting medical camps, seminars and exhibitions.

#### ***Financial Information***

In accordance with SEBI ICDR Regulations, the financial information derived from the audited financial statements of UMC for the FY 2022 will be available on the website, [www.qmsmas.com](http://www.qmsmas.com)

### **2. Mayukh Healthcare Services LLP (MHS)**

MHS is a LLP and was incorporated on May 24, 2019. The LLP Identification Number of MHS is AAP-4213. Registered Office of MHS is located at 702, Spring Field(Rubina), Plot no. 63, C C TPS III, 3<sup>rd</sup> Road, Near Union Bank, Santacruz (East), Mumbai - 400055, Maharashtra, India.

#### ***Nature of activities***

MHS is authorized to inter alia engage in the business of retail sales of medical and healthcare devices.

#### ***Financial Information***

In accordance with SEBI ICDR Regulations, the financial information derived from the audited financial statements of MHS for last three financial years are available on the website, [www.qmsmas.com](http://www.qmsmas.com).

#### **Litigation**

There is no outstanding litigation involving our Group Companies which have a material impact on our Company.

#### **Group Companies under the Insolvency and Bankruptcy Code, 2016**

Neither has any winding up petition been filed under the Companies Act, 2013 against any group company nor has any corporate insolvency resolution process commenced against such group company under the Insolvency and Bankruptcy Code, 2016 or any other applicable law.

#### **Defunct Group Companies**

None of our Group Companies are defunct companies, nor has any application been made to strike off their names from the register of companies during the five years preceding the date of filing the Prospectus.

### **Related Party Transactions and sales and purchases between our Company and Group Entities**

For details of related party transactions entered into by our Company, refer “*Related Party Transactions*” on page 118.

### **Common Pursuits**

There are no common pursuits amongst any of our Group Companies and our Company.

### **Interest of Group Entities**

- a) None of the Group Companies have any interest in the promotion of our Company.
- (b) None of the Group Companies are interested in the properties acquired or proposed to be acquired by our Company in the preceding three years.
- (c) Except as disclosed in “*Financial Statements*” beginning on page 146, none of the Group Companies is interested in any transactions for acquisition of land, construction of building or supply of machinery.
- (d) Except in the ordinary course of business as disclosed in “*Financial Statements*” beginning on page 100, none of the Group Companies have any business interest or other interests in our Company.

### **Payment or Benefit to our Group Entities**

Except as stated in the “*Related Party Transactions*” on page 118, there has been no payment of benefits to our Group Entities during the two years prior to the filing of this Prospectus.

### **Other Confirmations**

As on the date of this Prospectus, none of the Group Entities: (i) are listed on any stock exchange; (ii) have completed any public or rights issue since the date of its incorporation; (iii) has received any winding up petition accepted by a court; (iv) have become defunct; (v) have made an application to the relevant registrar of companies (in India), for striking off its name (vi) have been identified as wilful defaulters, as defined under the SEBI (ICDR) Regulations 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 (vii) have been refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad (viii) had negative net worth as of the date of their last audited financial statements.

### **RELATED PARTY TRANSACTIONS**

For details of related party transactions of our Company as per the requirements under Accounting Standard 18 “*Related Party Disclosures*” issued by the Institute of Chartered Accountants of India and as reported in the Restated Financial Statements, please refer “*Statement of Related Parties & Transactions*” on page 118.

## **DIVIDEND POLICY**

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. The dividend, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements, contractual obligations, applicable legal restrictions, and overall financial position of our Company. Our Company has not declared any dividend in last three financial years.

Our Company has no formal dividend policy. Our Board may also, from time to time and in accordance with applicable laws, pay interim dividends from the profits of the Financial Year in which such interim dividend is sought to be declared.

**SECTION VI – FINANCIAL INFORMATION  
FINANCIAL STATEMENTS**

**RESTATED FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR’S REPORT**

(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

**To,**  
**The Board of Directors**  
**QMS Medical Allied Services Limited**  
A1 A2/B1 B2, Navkala Bharti Building,  
Plot No16, Prabhat Colony,  
Near Santacruz Bus Depot,  
Santacruz East, Mumbai-400055

Dear Sir,

**1. Report on Restated Financial Statements**

We have examined the Restated Financial Statements of QMS Medical Allied Services Limited (hereinafter referred as “the Company”), the summarized statements of which annexed to this report have been prepared in accordance with the requirements of:

- i. Section 26 read with the applicable provisions within Rule-4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, As amended (hereinafter referred to as the “Act”) and
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“the Regulation”) (“SEBI ICDR Regulations”) issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto;
  - iii. The terms of reference to our engagements with the Company requesting us to examine financial statements referred to above and proposed to be included in the Prospectus/Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares on SME Platform of Stock Exchange (“IPO” or “SME IPO”);
  - iv. The (Revised) Guidance Note on Reports in Company Prospectus issued by the Institute of Chartered Accountants of India (“ICAI”) ; and
  - v. In terms of Schedule VI of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts, We, M/s P. V. Dalal & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
2. The Restated Summary Statements and Financial information of the Company have been extracted and prepared by the management from the Audited Financial Statements of the Company for the financial years ended March 31, 2022, 2021 and 2020 which have been approved by the Board of Directors.
3. Financial Statements for the Financial Year 2022 and 2021 have been audited by us. The Financial Statements for the year ended March 31, 2020 was audited by Khushbu Parekh & Co., Chartered Accountant, being the then Statutory Auditor of the Company for the respective years, which are all approved by the Board of Directors as on that date and upon which we have placed our reliance while reporting.

**4. Financial Information as per Audited Financial Statements:**



- i. We have examined:
  - a. The attached Restated Statement of Assets and Liabilities of the company, as at March 31, 2022; March 31, 2021 and March 31, 2020, (Annexure I);
  - b. The attached Restated Statement of Profits and Losses of the Company for the financial years ended March 31, 2022, 2021 and 2020, (Annexure II);
  - c. The attached Restated Statement of Cash Flows of the Company for the financial years ended March 31, 2022, 2021 and 2020, (Annexure III);
  - d. The Significant Accounting Policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings.(Annexure IV);

(Collectively hereinafter referred as “**Restated Financial Statements**” or “**Restated Summary Statements**”)

- ii. In accordance with the requirements of Act, ICDR Regulations as amended from time to time, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:
  - a. The “Restated Statement of Assets and liabilities” as set out in Annexure I to this report, of the Company as at March 31, 2022, 2021 and 2020 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
  - b. The “Restated Statement of Profit and Loss” as set out in Annexure II to this report, of the Company for the financial years ended March 31, 2022, 2021 and 2020 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
  - c. The “Restated Statement of Cash Flow” as set out in Annexure III to this report, of the Company for the financial years ended March 31, 2022, 2021 and 2020, are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV to this Report.

Based on the above we are of the opinion that “**Restated Financial Statements**” or “**Restated Summary Statements**” have been made after incorporating:

- a. There are no adjustments for any material amounts in the respective financial years have been made to which they relate, other than the adjustment for Deferred Tax and depreciation.
- b. There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements.
- c. There were no audit qualifications for which adjustment was required.
- d. There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statements.
- e. There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements.

- f. The Company has not paid dividend on its equity shares.

#### 5. Other Financial Information:

- I. We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the financial years ended March 31, 2022, 2021 and 2020.

PARTICULARS	ANNEXURE NO.
STATEMENT OF ASSETS AND LIABILITIES AS RESTATED	I
STATEMENT OF PROFIT & LOSS AS RESTATED	II
STATEMENT OF CASH FLOWS AS RESTATED	III
SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS	IV
STATEMENT OF SHARE CAPITAL AS RESTATED	I.1
STATEMENT OF RESERVES AND SURPLUS AS RESTATED	I.2
STATEMENT OF LONG TERM BORROWINGS AS RESTATED	I.3
STATEMENT OF DEFERRED TAX AS RESTATED	I.4
STATEMENT OF SHORT TERM BORROWINGS AS RESTATED	I.5
STATEMENT OF TRADE PAYABLES AS RESTATED	I.6
STATEMENT OF OTHER CURRENT LIABILITIES AS RESTATED	I.7
STATEMENT OF SHORT TERM PROVISIONS	I.8
STATEMENT OF FIXED ASSETS AS RESTATED	I.9
STATEMENT OF OTHER NON-CURRENT ASSETS AS RESTATED	I.10
STATEMENT OF INVENTORIES AS RESTATED	I.11
STATEMENT OF TRADE RECEIVABLES AS RESTATED	I.12
STATEMENT OF CASH AND CASH EQUIVALENTS AS RESTATED	I.13
STATEMENT OF SHORT TERM LOANS & ADVANCES AS RESTATED	I.14
STATEMENT OF OTHER CURRENT ASSETS AS RESTATED	I.15
STATEMENT OF REVENUE FROM OPERATIONS AS RESTATED	II.1
STATEMENT OF OTHER INCOME AS RESTATED	II.2
STATEMENT OF PURCHASE OF STOCK IN TRADE AS RESTATED	II.3
STATEMENT OF CHANGES IN INVENTORY AS RESTATED	II.4
STATEMENT OF EMPLOYEE BENEFIT EXPENSES AS RESTATED	II.5
STATEMENT OF OTHER EXPENSES AS RESTATED	II.6
STATEMENT OF FINANCIAL CHARGES AS RESTATED	II.7
STATEMENT OF RELATED PARTY TRANSACTIONS AS RESTATED	V
<b>OTHER FINANCIAL INFORMATION</b>	
STATEMENT OF ACCOUNTING RATIOS AS RESTATED	VI
STATEMENT OF CAPITALIZATION AS RESTATED	VII

- II. The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under section 133 of Companies Act, 2013.
- III. We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2022. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to March 31, 2022.

- IV. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.
- V. In our opinion, the above restated financial information contained in this report read along with the are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with the Company. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
- VI. Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- VII. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.
- VIII. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- IX. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or adjusted for any other purpose without our written consent.

## **6. Auditor's Responsibility**

Our responsibility is to express an opinion on these restated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **7. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

As per our Report Attached  
**For M/s. P. V. Dalal & Co.,**  
Chartered Accountants

CA Paresh Dalal  
Partner  
**Membership No:** 033355  
**Firm Registration No:** 102049W  
**Date:** August 26, 2022  
**Place:** Mumbai  
**UDIN:** 22033355ARLYIU5899

**STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**

(₹ in Lakhs)

Particulars	Note No.	31.03.22	31.03.21	31.03.20
<b>Equity &amp; Liabilities</b>				
<b>Shareholders Fund</b>				
Share capital	I.1	376.25	376.25	301.00
Reserves and surplus	I.2	2,726.72	1,656.08	639.58
<b>Total Shareholder's Fund</b>		<b>3,102.97</b>	<b>2,032.33</b>	<b>940.58</b>
<b>Non Current Liabilities</b>				
Long Term Borrowings	I.3	197.32	105.07	0.00
Long term provisions		0.00	0.00	0.00
Deferred Tax Liabilities (Net)	I.4	25.53	5.43	0.00
<b>Total Current Liabilities</b>		<b>222.85</b>	<b>110.50</b>	<b>0.00</b>
<b>Current Liabilities</b>				
Short Term Borrowings	I.5	3,000.33	1,855.27	1,160.42
Trade Payables	I.6	1,690.83	1,819.13	1,136.99
Other Current Liabilities	I.7	188.22	94.93	47.38
Short Term Provisions	I.8	61.33	125.27	62.63
<b>Total Current Liabilities</b>		<b>4,940.71</b>	<b>3,894.60</b>	<b>2,407.42</b>
<b>Total Equity &amp; Liability</b>		<b>8,266.53</b>	<b>6,037.43</b>	<b>3,348.00</b>
<b>Non-Current Assets</b>				
a) Plant,Property and Equipment & Intangible Assets				
Plant,Property and Equipment	I.9	794.87	1,002.22	312.46
Intangible Assets	I.9	2.36	15.28	11.52
<b>Total Fixed Assets (a)</b>		<b>797.23</b>	<b>1,017.50</b>	<b>323.98</b>
b) Non Current Investments		0.00	0.00	0.00
c) Long Term Loans and Advances		0.00	0.00	0.00
d) Other Non Current Assets	I.10	43.11	40.92	18.53
e) Deferred Tax Assets (Net)	I.4	0.00	0.00	0.37
<b>Total Non Current Assets</b>		<b>840.34</b>	<b>1,058.42</b>	<b>342.88</b>
<b>Current assets</b>				
Current Investments		0.00	0.00	0.00
Inventories	I.11	2,425.46	2,030.83	1,569.47
Trade Receivables	I.12	4,204.46	2,298.18	1,121.23
Cash and Cash Equivalent balances	I.13	216.33	138.18	65.53
Short Term Loans and advances	I.14	113.39	14.02	22.47
Other Current Assets	I.15	466.55	497.80	226.42
<b>Total Current Assets</b>		<b>7,426.19</b>	<b>4,979.01</b>	<b>3,005.12</b>
<b>Total Assets</b>		<b>8,266.53</b>	<b>6,037.43</b>	<b>3,348.00</b>

Annexure II

**STATEMENT OF PROFIT & LOSS AS RESTATED**

(` in Lakhs)

Particulars	Note No.	31.03.22	31.03.21	31.03.20
<b>Income</b>				
Revenue from Operations	II.1	14,632.29	12,203.36	7,273.96
Other Income	II.2	142.48	5.64	3.85
<b>Total Revenue</b>		<b>14,774.77</b>	<b>12,209.00</b>	<b>7,277.81</b>
<b>Expenditure</b>				
Cost of Materials Consumed	-	0.00	0.00	0.00
Purchase of Stock in Trade	II.3	11,438.18	9,501.86	5,976.80
Changes in Inventory	II.4	-394.64	-461.36	-674.02
Employee Benefit Expenses	II.5	466.63	238.10	160.91
Other Expenses	II.6	1,490.34	1,235.27	852.91
<b>Total (B)</b>		<b>13,000.51</b>	<b>10,513.87</b>	<b>6,316.60</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>1,774.26</b>	<b>1,695.13</b>	<b>961.21</b>
Depreciation and Amortisation Expenses	I.9	116.26	73.50	35.80
<b>Profit Before Interest and Tax</b>		<b>1,658.00</b>	<b>1,621.63</b>	<b>925.41</b>
Financial Charges	II.7	212.26	130.99	53.32
<b>Profit before Taxation</b>		<b>1,445.74</b>	<b>1,490.64</b>	<b>872.09</b>
Provision for Current Tax		355.00	393.10	236.93
Provision for Deferred Tax		20.10	5.79	-0.19
<b>Total Taxes</b>		<b>375.10</b>	<b>398.89</b>	<b>236.74</b>
<b>Profit After Tax but Before Extra ordinary Items</b>		<b>1,070.64</b>	<b>1,091.75</b>	<b>635.35</b>
Extraordinary Items		0.00	0.00	0.00
Prior Period Items		0.00	0.00	0.00
<b>Net Profit after adjustments</b>		<b>1,070.64</b>	<b>1,091.75</b>	<b>635.35</b>
<b>Net Profit Transferred to Balance Sheet</b>		<b>1,070.64</b>	<b>1,091.75</b>	<b>635.35</b>

## STATEMENT OF CASH FLOWS AS RESTATED

(₹ in Lakhs)

PARTICULARS	31.03.22	31.03.21	31.03.20
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax	1445.74	1490.64	872.09
<i>Adjusted for :</i>			
a. Depreciation	116.26	73.50	35.80
b. Interest Expenses & Finance Cost	212.26	130.99	53.32
c. Interest & Other Income	(142.48)	(5.64)	(3.85)
d. Other Adjustment	(35.07)	0.02	0.00
<b>Operating profit before working capital changes</b>	<b>1596.71</b>	<b>1689.51</b>	<b>957.36</b>
<i>Adjusted for :</i>			
a. Decrease /(Increase) in Inventories	(394.63)	(461.36)	(674.03)
b. Decrease / ( Increase ) in trade receivable	(1906.28)	(1176.95)	(319.43)
c. Decrease / ( Increase ) in Current Investments	0.00	0.00	0.00
d. ( Increase ) / Decrease in short term loans and advances	(99.37)	8.45	(22.38)
e. Increase / ( Decrease ) in Trade Payables	(128.30)	682.14	260.66
f. Increase / (Decrease) in short term provisions	(63.94)	62.64	38.75
g. Increase / ( Decrease ) in other current liabilities	93.29	47.55	(80.50)
h. ( Increase ) / Decrease in Other Current Assets	31.25	(271.38)	(160.95)
<b>Cash generated from operations</b>	<b>(871.27)</b>	<b>580.60</b>	<b>(0.52)</b>
Income Tax Paid ( net of refunds )	355.00	393.10	236.93
<b>NET CASH GENERATED FROM OPERATION</b>	<b>(1226.27)</b>	<b>187.50</b>	<b>(237.45)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITES</b>			
a. (Purchase) / Sale of Fixed Assets	139.08	(767.03)	(347.94)
b.( Purchase) / Sale of non-current investment	0.00	0.00	0.00
c. ( Increase ) / Decrease in Long term loans and advances	0.00	0.00	0.00
d. Increase / ( Decrease ) in Long Term Provisions	0.00	0.00	0.00
e. ( Increase ) / Decrease in Other Non Current Assets	(2.19)	(22.39)	(18.53)
f. (Increase) in Misc. Expenses	0.00	0.00	0.00
g. Interest & Other Income	142.48	5.64	3.85
h. Dividend Income	0.00	0.00	0.00
<b>Net cash (used) in investing activities</b>	<b>279.37</b>	<b>(783.78)</b>	<b>(362.62)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITES</b>			
a. Interest & Finance Cost	(212.26)	(130.99)	(53.32)
b. Proceeds from share issued			
c. ( Repayments ) / proceeds of long term borrowings	92.25	105.07	0.00
d. ( Repayments ) / proceeds of short term borrowings	1145.06	694.85	705.13
<b>Net cash generated/(used) in financing activities</b>	<b>1025.05</b>	<b>668.93</b>	<b>651.81</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents</b>	<b>78.15</b>	<b>72.65</b>	<b>51.74</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>138.18</b>	<b>65.53</b>	<b>13.79</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>216.33</b>	<b>138.18</b>	<b>65.53</b>

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

Annexure IV

## **SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS**

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **I. Corporate Information**

Incorporated in September 2017, QMS Medical Allied Services Limited ('the Company') is engaged in the pharmaceutical business involving marketing, trading and distribution of wide range of Medical Products, Medical and surgical Instruments, Medical Equipments & Accessories and Medical Devices.

#### **II. Significant Accounting Policies**

##### **1. Basis of Presentation of Financial Statements:**

The Financial Statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention (except in case of assets for which provision for impairment is made), on the accrual basis of accounting and complying with the provisions of the Companies Act, 2013. Accounting policies not specifically referred to otherwise, are in consonance with accounting principles generally accepted in India and Accounting Standards issued by The Institute of Chartered Accountants of India (ICAI) to the extent applicable. The accounting policies adopted in preparation of financial statements are consistent with those of previous year.

##### **2. Use of Estimates:**

The preparation of financial statements in conformity with Indian GAAP requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although, these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets & liabilities in future period.

##### **3. Inventories:**

Inventories are valued at cost or net realizable value, whichever is lower. The cost is determined on First in First Out basis, and includes all costs incurred in bringing the inventories to their present location and condition. In the case of work-in-progress and finished goods, cost also include costs of conversion.

Net realizable value is the estimated selling price in ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

##### **4. Cash Flow Statement:**

The company reports cash flow from operating activities using Indirect Method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Cash & cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of 3 months or less.

##### **5. Revenue Recognition:**



Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received net of discounts and indirect taxes. Other Income is accounted on accrual basis except where receipt of income is uncertain.

#### **6. Property Plant and Equipment:**

An item of property plant and equipment should be measured at cost, net of recoverable indirect taxes, less accumulated depreciation. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. All costs, including financial costs till commencement of commercial

production or use are capitalized to the cost of qualifying assets. Recoverable Indirect Taxes credits on capital goods are accounted for by reducing the cost of capital goods. Gains & losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the Statement of Profit & Loss when the asset is derecognized. The amount of depreciation is reduced from the carrying amount of asset. Depreciation has been charged on Fixed Assets as per Written Down Value Method, based on useful life of the assets and in the manner as prescribed in Schedule II of the Companies Act, 2013. In respect of additions or extensions forming an integral part of existing assets, depreciation is provided as aforesaid over the residual life of the respective assets.

#### **7. Foreign Exchange Fluctuation:**

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction. Monetary items denominated in foreign currencies at the year-end are restated at year end rates. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

#### **8. Employee Benefits:**

An employee is defined as an employee who may provide services to an entity on a full-time, part-time, permanent, casual, or temporary basis. Short term employee benefits such as salary, director's remuneration, bonus etc. are charged to Profit & Loss account as incurred.

/

#### **9. Earnings per Share:**

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

#### **10. Accounting for Taxes:**

Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961. As required by "Accounting Standard 22 - Accounting for Taxes on Income", the company has provided for Deferred Taxes. The tax effect of timing differences originating and reversing during the year has been reflected in the current year's Profit & Loss Ac.

#### **11. Provisions, Contingent Liabilities & Contingent Assets:**

A provision is recognised when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Where no reliable estimate can be made, a disclosure is made as Contingent Liability. A disclosure for contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not; require an out flow of resources. Contingent Assets are neither recognized nor disclosed in

the financial statements. When there is a possible or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### **CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARS COVERED IN THE RESTATED FINANCIALS**

There is no change in significant accounting policies of the Company during the period/ years covered under audit.

### **NOTES ON ACCOUNTS AND RESTATEMENTS MADE IN THE RESTATED FINANCIALS**

1. In the opinion of Board of Directors, the Current Assets Loans and Advances are approximately of the same value if realized in the ordinary course of business and the provisions of all known liabilities are adequate.
2. Pursuant to enactment of Companies Act, 2013, the Company has applied the estimated useful lives as specified in Schedule II.
3. There is no requirement of any provision of gratuity/ leave encashment in these accounts.
4. There are no contingent Liabilities reported and as such no provision has been made in these accounts for such liability.
5. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.
6. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, Current Liabilities are subject to confirmation and reconciliation.
7. Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

8. Material Adjustments

There are no material adjustments or errors which required adjustment for the purpose of restatement

### **9. Adjustments not having impact on profit**

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

### **10. Amounts in the financial statements**

Amounts in the restated financial statements are reported in rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

### **11. Auditors Qualifications –**

Details of Auditors qualifications and their impact on restated financial statement is given below:

- a) Qualification which required adjustment in restated financial statements: None

b) Qualification which does not require adjustment in restated financial statements: None

12. The Company does not have any identifiable segments and hence “Segment Reporting” is not applicable.

13. There are no contingent liabilities for the periods covered under audit.

**Annexure – I.1**

**STATEMENT OF SHARE CAPITAL AS RESTATED**

(₹ in lakhs)

Particulars	31.03.22	31.03.21	31.03.20
<b>Authorised</b>			
Equity shares of ₹ 10/- each	500.00	500.00	500.00
<b>Issued, Subscribed &amp; Fully Paid-up</b>			
Equity shares of ₹ 10/- each	376.25	376.25	301.00

Note: The Company has only one class of equity shares of par value ₹ 10 each. Each equity shareholder is entitled to one vote per share held, and on liquidation entitled to receive balance of net assets remaining after settlement of all debts, creditors & preferential amounts, proportionate to their respective shareholding. No dividend is proposed.

**Reconciliation of No. of Shares Outstanding at the end of the year:**

Particulars	31.03.22	31.03.21	31.03.20
Shares outstanding at the beginning of the year	37,62,500	30,10,000	10,000
Shares issued during the year	0	0	0
Bonus Issued during the year	0	7,52,500	30,00,000
Share outstanding at the end of the year	37,62,500	37,62,500	30,10,000

**Details of Shareholding more than 5% of the aggregate shares in the company:**

Particulars	31.03.22	31.03.21	31.03.20
<b>Mahesh Makhija</b>			
No. of Shares	3687210	3687210	2949800
% Holding	98.00	98.00	98.00

**Annexure – I.2**

**STATEMENT OF RESERVES AND SURPLUS AS RESTATED**

(₹ in lakhs)

Particulars	31.03.22	31.03.21	31.03.20
<b>Statement of Profit &amp; Loss</b>			
Opening balance	1,656.08	639.58	304.23
Add: Profit for the year	1,070.64	1,091.75	635.35
Less: Utilised for Bonus Issue	0.00	-75.25	-300.00
<b>Profit available for appropriation</b>	<b>2,726.72</b>	<b>1,656.08</b>	<b>639.58</b>
<b>Balance as at the end of the year</b>	<b>2,726.72</b>	<b>1,656.08</b>	<b>639.58</b>
<b>General Reserves</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Securities Premium Account</b>			
Opening balance	0.00	0.00	0.00

Add: Additions during the year	0.00	0.00	0.00
Less: Utilised for Bonus Issue	0.00	0.00	0.00
<b>Balance as at the end of the year</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Reserve &amp; Surplus</b>	<b>2,726.72</b>	<b>1,656.08</b>	<b>639.58</b>

## Annexure – I.3

## STATEMENT OF LONG TERM BORROWINGS AS RESTATED

(₹ in Lakhs)

Particulars	31.03.22	31.03.21	31.03.20
<b>Secured Borrowings</b>			
<b>from Banks</b>			
Vehicle Loan – HDFC Bank	2.81		
Working Capital Loan - Standard Chartered Bank	194.51	105.07	-
<b>From Others</b>			
Others	-	-	-
<b>Total</b>	<b>197.32</b>	<b>105.07</b>	<b>-</b>

## Annexure – I.4

## STATEMENT OF DEFERRED TAX AS RESTATED

(₹ in lakhs)

Particulars	31.03.22	31.03.21	31.03.20
Opening Deferred Tax Liability / (Asset)	5.43	-0.37	-0.18
<b>Deferred Tax Asset</b>			
On the Block of Fixed Assets	0.00	0.00	0.19
On Other Items	0.00	0.00	0.00
<b>Sub Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.19</b>
<b>Deferred Tax Liability</b>			
On the Block of Fixed Assets	20.10	5.80	0.00
On Other Items	0.00	0.00	0.00
<b>Sub Total</b>	<b>20.10</b>	<b>5.80</b>	<b>0.00</b>
Net Deferred Tax Liability / (Asset)	20.10	5.80	-0.19
<b>Closing Deferred Tax Liability / (Asset)</b>	<b>25.53</b>	<b>5.43</b>	<b>-0.37</b>

## Annexure – I.5

## STATEMENT OF SHORT TERM BORROWINGS AS RESTATED

(₹ in lakhs)

Particulars	31.03.22	31.03.21	31.03.20
<b>Secured Borrowings</b>			
<b>From Banks</b>			
Cash Credit from Citi Bank	1000.00	881.11	899.06
Cash Credit from Standard Chartered Bank	4.11	803.81	
Cash Credit from HDFC Bank	1891.28	-	-
Vehicle Loan from HDFC Bank (Current maturities of Long term debt)	7.91	-	-
Working Capital Loan from Standard Chartered Bank (Current maturities of Long term debt)		15.01	-
GECL from HDFC Bank	37.86		

(Current maturities of Long term debt)			
<b>Unsecured Borrowings</b>			
Loan from Directors	59.16	155.34	261.36
<b>Total</b>	<b>3,000.33</b>	<b>1,855.27</b>	<b>1,160.42</b>

**Annexure – I.6****STATEMENT OF TRADE PAYABLES AS RESTATED**

(₹ in lakhs)

Particulars	31.03.22	31.03.21	31.03.20
Dues to Micro, Small and Medium Enterprises	40.18	0.25	0.09
Dues to other than Micro, Small and Medium Enterprises	1,650.65	1,818.88	1,136.90
<b>Total</b>	<b>1690.83</b>	<b>1819.13</b>	<b>1136.99</b>

**Annexure – I.7****STATEMENT OF OTHER CURRENT LIABILITIES AS RESTATED**

(₹ in lakhs)

Particulars	31.03.22	31.03.21	31.03.20
Expenses Payable	78.61	31.04	0.86
Statutory Dues Payable	109.36	60.71	7.24
Amount payable towards Capital Goods	0.00	3.18	12.59
Temporary overdrawn Bank Balance	0.00	0.00	26.69
Income received in Advance	0.00	0.00	0.00
Advance received from Customers	0.25	0.00	0.00
<b>Total</b>	<b>188.22</b>	<b>94.93</b>	<b>47.38</b>

**Annexure – I.8****STATEMENT OF SHORT TERM PROVISIONS AS RESTATED**

(₹ in lakhs)

Particulars	31.03.22	31.03.21	31.03.20
Provision for Taxation (Net of Advance Tax)	59.98	123.14	53.86
Provision for Audit Fees	1.35	1.39	1.22
Provision for CSR Expenses	0.00	0.74	0.00
Provision for ROC Expenses	0.00	0.00	7.55
<b>Total</b>	<b>61.33</b>	<b>125.27</b>	<b>62.63</b>

## Annexure – I.9

## STATEMENT OF FIXED ASSETS AS RESTATED

(₹ in lakhs)

For FY 2022	GROSS BLOCK				NET BLOCK	
Particulars	As at	Additions	Deductions	Total	As at	As at
	1.4.2021				31.03.2022	31.03.2021
<b>Tangible Assets</b>						
Office Premises	721.99	0.00	0.00	721.99	672.29	706.70
Improvement to Leasehold Premises	52.04	3.75	0.00	55.79	33.54	41.23
Plant & Equipment	178.51	123.00	301.51	0.00	0.00	176.41
Vehicles	0.00	29.21	0.00	29.21	26.02	0.00
Furniture & Fixtures	53.78	3.40	0.00	57.18	28.95	34.87
Electrification	10.67	0.00	0.00	10.67	5.48	7.39
Computer	25.23	27.14	18.13	34.24	9.97	9.42
Office Equipment	53.72	7.11	3.05	57.78	18.61	26.20
<b>Total Tangible Assets (A)</b>	<b>1095.94</b>	<b>193.62</b>	<b>322.70</b>	<b>966.86</b>	<b>794.87</b>	<b>1002.22</b>
<b>Intangible Assets</b>						
Software	34.25	15.00	25.00	24.25	2.36	15.28
<b>Total Intangible Assets (B)</b>	<b>34.25</b>	<b>15.00</b>	<b>25.00</b>	<b>24.25</b>	<b>2.36</b>	<b>15.28</b>
<b>TOTAL</b>	<b>1130.19</b>	<b>208.62</b>	<b>347.70</b>	<b>991.11</b>	<b>797.23</b>	<b>1017.50</b>

(₹ in lakhs)

For FY 2021	GROSS BLOCK				NET BLOCK	
Particulars	As at	Additions	Deductions	Total	As at	As at
	1.4.2020				31.03.2021	31.03.2020
<b>Tangible Assets</b>						
Office Premises	190.59	531.40	0.00	721.99	706.70	188.84
Improvement to Leasehold Premises	27.04	25.00	0.00	52.04	41.23	25.72
Plant & Equipment	0.00	178.51	0.00	178.51	176.41	0.00
Vehicles	0.00	0.00	0.00	0.00	0.00	0.00
Furniture & Fixtures	51.92	1.86	0.00	53.78	34.87	44.91

Electrification	10.67	0.00	0.00	10.67	7.39	9.97
Computer	18.37	6.86	0.00	25.23	9.42	11.16
Office Equipment	43.56	10.16	0.00	53.72	26.20	31.86
<b>Total Tangible Assets (A)</b>	<b>342.15</b>	<b>753.79</b>	<b>0.00</b>	<b>1095.94</b>	<b>1002.22</b>	<b>312.46</b>
<b>Intangible Assets</b>						
Software	21.01	13.24	0.00	34.25	15.28	11.52
<b>Total Intangible Assets (B)</b>	<b>21.01</b>	<b>13.24</b>	<b>0.00</b>	<b>34.25</b>	<b>15.28</b>	<b>11.52</b>
<b>TOTAL</b>	<b>363.16</b>	<b>767.03</b>	<b>0.00</b>	<b>1130.19</b>	<b>1017.50</b>	<b>323.98</b>

(₹ in lakhs)

**For FY 2020**

Particulars	GROSS BLOCK				NET BLOCK	
	As at 1.4.2019	Additions	Deductions	Total	As at 31.3.2020	As at 31.3.2019
<b>Tangible Assets</b>						
Office Premises	0.00	190.59	0.00	190.59	188.84	0.00
Improvement to Leasehold Premises	0.00	27.04	0.00	27.04	25.72	0.00
Plant & Equipment	0.00	0.00	0.00	0.00	0.00	0.00
Vehicles	0.00	0.00	0.00	0.00	0.00	0.00
Furniture & Fixtures	0.16	51.76	0.00	51.92	44.91	0.14
Electrification	0.00	10.67	0.00	10.67	9.97	0.00
Computer	3.02	15.35	0.00	18.37	11.16	1.70
Office Equipment	1.47	42.09	0.00	43.56	31.86	1.15
<b>Total Tangible Assets (A)</b>	<b>4.65</b>	<b>337.50</b>	<b>0.00</b>	<b>342.15</b>	<b>312.46</b>	<b>2.99</b>
<b>Intangible Assets</b>						
Software	10.58	10.43	0.00	21.01	11.52	8.85
<b>Total Intangible Assets (B)</b>	<b>10.58</b>	<b>10.43</b>	<b>0.00</b>	<b>21.01</b>	<b>11.52</b>	<b>8.85</b>
<b>TOTAL</b>	<b>15.23</b>	<b>347.93</b>	<b>0.00</b>	<b>363.16</b>	<b>323.98</b>	<b>11.84</b>

## Annexure – I.10

## STATEMENT OF OTHER NON-CURRENT ASSETS AS RESTATED

(₹ in lakhs)

Particulars	31.03.22	31.03.21	31.03.20
Rent Deposit	42.72	40.53	18.53
Other Deposit	0.39	0.39	-
<b>Total</b>	<b>43.11</b>	<b>40.92</b>	<b>18.53</b>

## Annexure – I.11

## STATEMENT OF INVENTORIES AS RESTATED

(₹ in lakhs)

Particulars	31.03.22	31.03.21	31.03.20
Traded Goods	2,425.46	2,030.83	1,569.47
<b>Total</b>	<b>2,425.46</b>	<b>2,030.83</b>	<b>1,569.47</b>

## Annexure – I.12

## STATEMENT OF TRADE RECEIVABLES AS RESTATED

(₹ in lakhs)

Particulars	31.03.22	31.03.21	31.03.20
Trade Receivables (Unsecured considered good)	4,204.46	2,298.18	1,121.23
<b>Total</b>	<b>4,204.46</b>	<b>2,298.18</b>	<b>1,121.23</b>

## Annexure – I.13

## STATEMENT OF CASH AND CASH EQUIVALENTS AS RESTATED

(₹ in lakhs)

Particulars	31.03.22	31.03.21	31.03.20
Balances with banks in current account	200.97	123.02	47.41
Cash on hand	15.36	15.16	18.12
<b>Total</b>	<b>216.33</b>	<b>138.18</b>	<b>65.53</b>

## Annexure – I.14

## STATEMENT OF SHORT TERM LOANS &amp; ADVANCES AS RESTATED

(₹ in lakhs)

Particulars	31.03.22	31.03.21	31.03.20
Loans and Advances to Staff	12.39	14.02	1.47
Advance for Purchase of Premises	101.00	0.00	21.00
<b>Total</b>	<b>113.39</b>	<b>14.02</b>	<b>22.47</b>

## Annexure – I.15

## STATEMENT OF OTHER CURRENT ASSETS AS RESTATED

(₹ in lakhs)

Particulars	31.03.22	31.03.21	31.03.20
Advance to Suppliers	422.41	445.17	158.78
Balances with Statutory Authorities	4.74	7.84	19.26
Prepaid Expenses	21.43	43.43	39.37
Salary paid in Advance	17.97	1.36	3.47
Other Receivables	0.00	0.00	5.54
<b>Total</b>	<b>466.55</b>	<b>497.80</b>	<b>226.42</b>



**Annexure – II.1**

**STATEMENT OF REVENUE FROM OPERATIONS AS RESTATED**

(₹ in lakhs)

Particulars	For the Financial Year ended		
	31.03.22	31.03.21	31.03.20
Income through Education	758.63	653.56	727.05
Income through Camp	23.17	-	-
B2B Sales Pharma – Others	13379.11	11039.23	6546.91
B2B Sales Pharma – QDevices	471.38	510.57	-
<b>Total</b>	<b>14,632.29</b>	<b>12,203.36</b>	<b>7,273.96</b>

**Annexure – II.2**

**STATEMENT OF OTHER INCOME AS RESTATED**

(₹ in lakhs)

Particulars	For the Financial Year ended		
	31.03.22	31.03.21	31.03.20
Commission Income	0.00	5.35	3.85
Interest received	0.00	0.29	0.00
Foreign Exchange Gain	7.41	0.00	0.00
Profit on Sale of Assets	135.07	0.00	0.00
<b>Total</b>	<b>142.48</b>	<b>5.64</b>	<b>3.85</b>

**Annexure – II.3**

**STATEMENT OF PURCHASE OF STOCK IN TRADE AS RESTATED**

(₹ in lakhs)

Particulars	For the FY/Period ended		
	31.03.22	31.03.21	31.03.20
Purchase of Products	11,438.18	9,501.86	5,976.80
<b>Total</b>	<b>11,438.18</b>	<b>9,501.86</b>	<b>5,976.80</b>

**Annexure – II.4**

**STATEMENT OF CHANGES IN INVENTORIES AS RESTATED**

(₹ in lakhs)

Particulars	For the FY/Period ended		
	31.03.22	31.03.21	31.03.20
<b>Stock in Trade</b>			
Inventories at the beginning of the year	2,030.83	1,569.47	895.44
Less : Inventories at the end of the year	2,425.46	2,030.83	1,569.47
<b>Increase / (Decrease) of Stocks</b>	<b>-394.64</b>	<b>-461.36</b>	<b>-674.02</b>

**Annexure – II.5**

**STATEMENT OF EMPLOYEE BENEFIT EXPENSES AS RESTATED**

(₹ in lakhs)

Particulars	For the FY/Period ended		
	31.03.22	31.03.21	31.03.20
Director's Remuneration	83.15	82.20	68.50
Salary and Bonus	165.89	100.71	71.81
Incentive to Employees	205.88	39.87	9.99
Staff Welfare expenses	11.71	15.32	10.61
<b>Total</b>	<b>466.63</b>	<b>238.10</b>	<b>160.91</b>

## Annexure – II.6

## STATEMENT OF OTHER EXPENSES AS RESTATED

(₹ in lakhs)

Particulars	For the FY/Period ended		
	31.03.22	31.03.21	31.03.20
<b>Expenses towards provision of Services</b>			
Payment to vendors/service providers	272.85	218.71	163.17
Rights purchased for resale	256.98	240.84	202.71
<b>Other Expenses</b>			
Audit Fees	1.50	1.50	1.35
Bank Charges	31.53	9.96	2.57
Brokerage and Commission Expenses	49.94	38.51	27.81
Computer and Software Maintenance Charges	7.64	15.32	11.68
Conveyance Expenses	18.62	12.55	3.12
CSR Expenses	21.31	8.74	-
Donation	13.61	22.42	32.11
Foreign Exchange Loss	-	2.00	1.06
Insurance Expenses	7.57	5.24	2.10
Other Expenses	63.93	37.62	34.74
Packing Material Consumed	528.55	414.34	266.32
Postage & Courier Expenses	72.17	62.24	32.02
Printing & Stationery Expenses	3.04	2.50	1.58
Legal & Professional Fees	53.64	79.40	34.70
Rent Expense	51.14	40.73	28.48
Repairs and Maintenance	11.20	15.77	1.38
	12.82		
Sales Promotion Expenses	8.80	4.27	2.39
Telephone Expenses	1.15	1.53	1.32
Travelling Expenses	2.35	1.08	2.30
<b>TOTAL</b>	<b>1490.34</b>	<b>1,235.27</b>	<b>852.91</b>

## Annexure – II.7

## STATEMENT OF FINANCIAL CHARGES AS RESTATED

(₹ in lakhs)

Particulars	For the FY/Period ended		
	31.03.21	31.03.21	31.03.20
Interest to Bank on cash credit facility	192.52	107.39	53.32
Interest on Loan from bank	13.74	4.69	0.00
Interest on Unsecured loans	6.00	18.91	0.00
<b>Total</b>	<b>212.26</b>	<b>130.99</b>	<b>53.32</b>

## Annexure – V

## STATEMENT OF RELATED PARTY TRANSACTIONS AS RESTATED

The company has entered into related party transactions with below mentioned parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India for the periods covered under audit:

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

- (i) Key Managerial Personnel and their Relatives

For the period ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Mahesh Makhija	Mahesh Makhija	Mahesh Makhija
Rani Makhija	Rani Makhija	Rani Makhija
Diti Makhija	Diti Makhija	Diti Makhija
Guddi Makhija	Guddi Makhija	Guddi Makhija

(ii) Associates / Enterprises over which any person described in (i) is able to exercise significant influence  
Associates

For the period ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Queens Marketing Services	Queens Marketing Services	Queens Marketing Services
Queens Promotional Services Private Limited	Queens Promotional Services Private Limited	Queens Promotional Services Private Limited
Mayukh Healthcare Services LLP (MHS)	Mayukh Healthcare Services LLP (MHS)	-
UMC Medical Allied Services Private Limited (UMC)		

(iii) Particulars of Transactions with Related Parties

**Related Party Transactions for the period 01.04.2021 to 31.03.2022**

Nature of Transaction	Mahesh Makhija	Rani Makhija	Guddi Makhija	Diti Makhija	MHS	UMC
Directors Remuneration	74.00	-	7.05	-	-	-
Rent Paid	33.00	-	-	-	-	-
Sale of goods	-	108.04	-	-	32.62	19.85
Sale of fixed assets	-	-	-	-	-	488.97
Purchase of goods	-	31.27	-	-	4.69	12.58
Advance against purchase of property	75.75	-	25.25	-	-	-
Loans Accepted	624.04	-	-	-	-	-
Loans Repaid	716.21	4.00	-	-	-	-

**Related Party Transactions for the period 01.04.2020 to 31.03.2021**

Nature of Transaction	Mahesh Makhija	Rani Makhija	Guddi Makhija	Diti Makhija	MHS	UMC
Directors Remuneration	72.00	-	2.20	8.00	-	-
Rent Paid	30.00	-	-	-	-	-
Interest on Loan	5.41	13.50	-	-	-	-
Commission	-	-	-	2.00	-	-
Purchase of goods	-	134.11	-	-	5.99	-
Sale of goods	-	665.29	-	-	8.44	-
Loans Accepted	370.30	91.47	-	-	-	-
Loans Repaid	222.65	345.15	-	-	-	-

**Related Party Transactions for the period 01.04.2019 to 31.03.2020**

Nature of Transaction	Mahesh Makhija	Rani Makhija	Guddi Makhija	Diti Makhija	MHS	UMC
Directors Remuneration	62.50	-	-	6.00	-	-
Rent Paid	24.00	-	-	-	-	-
Purchase of goods	-	183.91	-	-	0.01	-
Sale of goods	-	393.47	-	-	2.37	-
Loans Accepted	74.00	995.55	-	-	-	-
Loans Repaid	83.13	803.98	-	-	-	-

## Annexure – VI

## STATEMENT OF ACCOUNTING RATIOS AS RESTATED

(₹ in lakhs)

Particulars	31.03.22	31.03.21	31.03.20
EBITDA (₹ in Lacs)	1,774.26	1,695.13	961.21
Net Profit as restated (₹ in Lacs)	1,070.64	1,091.75	635.35
Net Worth (₹ in Lacs)	3,102.97	2032.33	940.58
Return on Net worth (%)	34.50%	53.72%	67.55%
Equity Share at the end of year (in Nos.)	37,62,500	37,62,500	30,10,000
(Face Value ₹ 10)	10.00	10.00	10.00
Weighted Average No. of Equity Shares	37,62,500	37,62,500	30,10,000
Weighted No. of Equity Shares (Considering bonus in all previous years)*	1,12,87,500	1,12,87,500	1,12,87,500
Basic and Diluted Earnings per Equity Share	28.46	29.02	21.11
Basic and Diluted Earnings per Equity Share (Considering bonus in all previous years)	9.49	9.67	5.63
Net Asset Value/Book Value per Equity share (Based on no of share at the end of year)	82.47	54.02	31.25
Net Asset Value/Book Value per Equity share (Considering bonus in all previous years)	27.49	18.01	8.33

\*Includes bonus shares issued on June 10, 2022, in the ratio of 3:1.

Note:- Earnings per share (Rs.) = Profit available to equity shareholders / weighted No. of shares outstanding at the end of the year.

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value / Book value per share (Rs.) = net worth / No. of equity shares

The net worth is considered post elimination of revaluation reserves. The Company does not have any extra- ordinary items.

## Annexure – VII

## STATEMENT OF CAPITALIZATION AS RESTATED

(₹ in lakhs)

Particulars	Pre Issue	Post Issue*
	As at 31.03.2022	
<b>Debt :</b>		
Short term debt	3,000.33	3,000.33
Long term debt	197.32	197.32
<b>Total Debt</b>	<b>3,197.65</b>	<b>3,197.65</b>
<b>Shareholders Funds</b>		
Equity Share Capital	376.25	1,785.00
Reserves and Surplus	2,726.72	4,705.97
Less: Revaluation Reserves	0.00	0.00

Less: Misc. Expenditure	0.00	0.00
<b>Total Shareholders' Funds</b>	<b>3,102.97</b>	<b>6,490.97</b>
Long Term Debt/ Shareholders' Funds	0.06	0.03
Total Debt / Shareholders Fund	1.03	0.49

\*Based on the assumption that Fresh Issue of 28,00,000 Equity Shares at the issue price of ₹121 will be fully subscribed.

## MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Prospectus. You should also read the section entitled “Risk Factors” on page 16, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources.*

*Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the ICDR Regulations and restated as described in the report of our auditor dated August 26, 2022 which is included in this Prospectus under “Financial Statements”. The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

### Significant Developments Subsequent to the Last Financial Period

In the opinion of the Board of Directors of our Company, other than as mentioned below, since the date of the last financial statements disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the business or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

#### *Allotment of Equity Shares:*

Following Equity Shares were issued by our Company after the date of last financial statements i.e. March 31, 2022:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration
10-06-2022	1,12,87,500	10	Nil	Bonus Issue in the ratio of 3:1	Nil

#### *COVID 19 Pandemic:*

Since the onset of the COVID-19 pandemic in March 2020, our Company has responded swiftly by implementing various processes to ensure our operations continue seamlessly. As we are engaged in marketing of medical equipments and devices, which helps the user to monitor their health from their home, our products such as oximeter, gluco meter, oxygen concentrator, nebulizer, BP monitor and medical consumables like personal protection kits, disinfection products were categorized under the essential goods’ and our operations were not shut down during this pandemic. Further, these products also helped the user from visiting the hospitals during the lockdown. However, due to limited availability of logistics and supply chain constraints, we were impacted during the initial period of the lockdown. We continued our operation after making arrangements to meet the government’s requirements on sanitization, people movement and social distancing. Home healthcare helps reduce hospital visits, thereby reducing hospital induced infections. While the effort to reduce hospital acquired infections is a continual battle, the raging COVID-19 pandemic and fear of infection has pushed people towards virtual visits and home health products where hospitalization was not necessary e.g. digital blood pressure monitors, nebulizers, thermometers etc.

We have experienced sustained growth in our business in recent years, including currently during the ongoing outbreak of COVID-19. We consider that our swift response and proactive steps taken have mitigated the impact of COVID- 19 pandemic on our business and personnel thus far. The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors including those discussed in “Risk Factors” on page 16 of this Prospectus. We are continuously monitoring the economic conditions and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business. For more details, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 122 of this Prospectus.

#### **Key factors affecting the results of operation:**

Our Company’s future results of operations could be affected potentially by the following factors:

### ***Economic conditions in the markets in which we operate***

Our results of operations are dependent on the overall economic conditions in the markets in which we operate, including India. Any change in macro-economic conditions in these markets, including changes in interest rates, government policies or taxation and political, economic or other developments could affect our business and results of operations. The iron and steel market in India may perform differently and be subject to market and regulatory developments that are dissimilar to the markets in other parts of the world. While stronger macro-economic conditions tend to result into higher demand for our products, weaker macro-economic conditions tend to result into lower demand. Change in demand in the market segments we currently supply or improvement/deterioration in the market or a change in regulations, customs, taxes or other trade barriers or restrictions could affect our operations and financial condition.

### ***Regulatory developments***

Our Company is regulated by the Companies Act and some of its activities are subject to supervision and regulation by statutory and regulatory authorities. It is therefore subject to changes in Indian law, as well as to changes in regulation and government policies and accounting principles.

### ***Dependence on third party for manufacturing of our products***

Our Company is engaged in the marketing and distribution of a wide range of medical and healthcare devices and accessories. Our Company has no formal supply agreement or contract with our manufacturers/ vendors/suppliers for the uninterrupted supply of traded or marketed products. There can be no assurance that such parties shall continuously provide their products to us and as per our requirements of quantity as well as quality. In the event of any disruption in the supply of products or the non-availability of products, the purchase and distribution schedule may be adversely affected impacting the sales and profitability of the Company.

### ***Our investments in new products and distribution channels may not be profitable and may be loss-making***

In order to maintain a competitive position, we continue to invest in new home healthcare products. Our investments in new products or distribution channels, such as e-commerce and delivery platforms, whether developed in-house or through third parties, may be less profitable than what we have experienced historically, may be loss-making, may consume substantial financial resources and/or may divert management's attention from existing operations, all of which could materially and adversely affect our business, results of operations and financial condition.

### ***Changes in Technology***

Modernization and technology upgradation is essential for the products that we sell to our customers. Being technology driven enables us to gain a deep understanding of the market trends in the home healthcare industry. The landscape of the home healthcare industry continues to change in response to technological innovation and evolving consumer trends. New technology is changing the very definition of healthcare device industry. However if we are unable to respond to changes in technology and evolving industry trends, our businesses may not be able to compete effectively.

## **RESULTS OF OPERATIONS**

### **Description of the major components of revenue and expense items: -**

Our total revenue consists of revenue from sale of products and sale of services and other income.

#### **Revenue**

##### Revenue from Operations

Our revenue from operations primarily accrues from sale of medical and healthcare devices and accessories and sale of other services.

Income from rooms is rental income received from occupied rooms at our hotels.

Revenue from operations also includes revenue from sale of food and beverages, which comprise of food and beverage sold at the restaurant outlets in our hotels, room service and in-room dining and sale of food and beverages at our cafe.

### Expenses

Purchase of stock in trade comprised of purchases of our products is the major expense head for our Company.

Changes in inventories signifies increase or decrease in stock in trade.

Employee Benefit expense includes, salaries, bonus, incentives, director remuneration and staff welfare expenses.

Other expenses include expenses towards provision for services, brokerage and commission expenses, packing material, postage and courier, legal and professional charges, rent expense, repairs and maintenance etc.

### Depreciation and Amortization Expenses

Depreciation and Amortisation Expenses comprised depreciation on fixed assets both tangible and intangible.

### Tax Expense

Our tax expense or credit for the period represents the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

### DISCUSSION ON RESULTS OF OPERATIONS:

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for the financial years ended March 31, 2022, 2021 and 2020.

### OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer *Significant Accounting Policies, "Annexure IV" beginning under "Auditors' Report and Financial Information of our Company" on page 107.*

### RESULTS OF OUR OPERATION

#### Comparison of Financial Years ended March 31, 2022, 2021 and 2020

	(₹ lakhs)		
Particulars	31.03.22	31.03.21	31.03.20
<b>Income</b>			
<b>Revenue from Operations</b>	<b>14632.29</b>	<b>12,203.36</b>	<b>7,273.96</b>
Increase/Decrease (%)	19.90%	67.77%	40.17%
Other Income	142.48	5.64	3.85
<b>Total Income</b>	<b>14,774.77</b>	<b>12,209.00</b>	<b>7,277.81</b>
Increase/Decrease (%)	21.02%	67.76%	40.21%
<b>Expenditure</b>			
<b>Purchase of Stock in Trade</b>	<b>11,438.18</b>	<b>9,501.86</b>	<b>5,976.80</b>
Increase/Decrease (%)	20.38%	58.98%	33.26%
% to Total Income	77.42%	77.83%	82.12%
<b>Changes in Inventory</b>	<b>-394.64</b>	<b>-461.36</b>	<b>-674.02</b>



Increase/Decrease (%)	-14.46%	-31.55%	47.58%
% to Total Income	-2.67%	-3.78%	-9.26%
<b>Employee Benefit Expenses</b>	<b>466.63</b>	<b>238.1</b>	<b>160.91</b>
Increase/Decrease (%)	95.98%	47.97%	88.64%
% to Total Income	3.16%	1.95%	2.21%
<b>Other Expenses</b>	<b>1,490.34</b>	<b>1,235.27</b>	<b>852.91</b>
Increase/Decrease (%)	20.65%	44.83%	38.66%
% to Total Income	10.09%	10.12%	11.72%
<b>Total Expenditure</b>	<b>13,000.51</b>	<b>10,513.87</b>	<b>6,316.60</b>
Increase/Decrease (%)	23.65%	66.45%	33.57%
% to Total Income	87.99%	86.12%	86.79%
<b>Profit Before Interest, Depreciation and Tax</b>	<b>1,774.26</b>	<b>1,695.13</b>	<b>961.21</b>
Increase/Decrease (%)	4.67%	76.35%	108.09%
% to Total Income	12.01%	13.88%	13.21%
<b>Depreciation and Amortisation Expenses</b>	<b>116.26</b>	<b>73.5</b>	<b>35.8</b>
Increase/Decrease (%)	58.18%	105.31%	959.17%
% to Total Income	0.79%	0.60%	0.49%
<b>Profit Before Interest and Tax</b>	<b>1,658.00</b>	<b>1,621.63</b>	<b>925.41</b>
Increase/Decrease (%)	2.24%	75.23%	101.82%
% to Total Income	11.22%	13.28%	12.72%
Financial Charges	<b>212.26</b>	<b>130.99</b>	<b>53.32</b>
Increase/Decrease (%)	62.04%	145.67%	152.94%
% to Total Income	1.44%	1.07%	0.73%
<b>Profit before Taxation</b>	<b>1,445.74</b>	<b>1,490.64</b>	<b>872.09</b>
Provision for Current Tax	355.00	391.58	236.5
Provision for Deferred Tax	20.10	5.79	-0.19
<b>Total Taxes</b>	<b>375.10</b>	<b>397.37</b>	<b>236.31</b>
<b>Net Profit Transferred to Balance Sheet</b>	<b>1,070.64</b>	<b>1,093.27</b>	<b>635.78</b>
Increase/Decrease (%)	-2.07%	71.96%	109.43%
% to Total Income	7.25%	8.95%	8.74%

**Comparison of FY 2022 with FY 2021:**

**Revenue from operations**

The Revenue from operations for the FY 2022 is ₹ 14632.29 lakhs as compared to ₹ 12203.36 lakhs during the FY 2021 showing an increase of 19.90%. The sale of products was ₹ 13,850.49 lakhs and the sale of services was ₹ 781.80 lakhs for

the Fiscal 2022. The sale of products was ₹ 11,549.80 lakhs and the sale of services was ₹ 653.56 lakhs for the Fiscal 2021. This increase was primarily due to increase in sales of medical devices and revenue from education.

Other Income for the FY 2022 and FY 2021 was ₹ 142.48 lakhs and ₹ 5.64 lakhs respectively. During FY 2022 other income includes profit on sale of assets of ₹ 135.07 lakhs. Hence the Total Income was for the FY 2022 and FY 2021 was ₹ 14774.77 lakhs and ₹ 12209.00 lakhs respectively.

### **Expenditure:**

#### **Purchase of Stock in trade**

Purchase of Stock in trade increased to ₹ 11438.18 lakhs for FY 2022 from ₹ 9501.86 lakhs for FY 2021 showing an increase of 20.38%. This increase was mainly in line with the increase in the revenue from operations.

#### **Changes in Inventories**

Increase in Inventories was ₹ 394.64 lakhs for FY 2022 and ₹ 461.36 lakhs for FY 2021. This decline was mainly due to increase in inventory at the end of the year.

#### **Employee Benefit Expenses**

Employee Benefit Expenses increased from ₹ 238.10 lakhs for the year ended March 31, 2021 to ₹ 466.63 lakhs for FY 2022 showing an increase of 95.98%. This increase was mainly due to increase in staff salary, incentives, bonus and directors remuneration. Employee Benefit Expenses stood at 1.95% and 3.16% of Total income for FY 2021 and FY 2022, respectively.

#### **Other Expenses**

Other Expenses increased to ₹ 1490.34 lakhs for FY 2022 from ₹ 1235.27 lakhs for FY 2021 showing an increase of 20.65%. Other Expenses was 10.09% of Total income during FY 2022 as against 10.12% during FY 2021.

#### **EBIDTA**

EBIDTA increased from ₹ 1695.13 lakhs for FY 2021 to ₹ 1774.26 lakhs for FY 2022. During FY 2022, our Company recorded EBIDTA margin of 12.01% of the Total income during FY 2022 as against 13.88% during FY 2021.

#### **Depreciation**

Depreciation on fixed assets was 0.79% of Total income during FY 2022 as compared to 0.60% during FY 2021. The total depreciation during FY 2021 was ₹ 73.50 lakhs and during FY 2022 it was ₹ 116.26 lakhs.

#### **Interest and Financial Charges**

Interest and Financial Charges increased from ₹ 130.99 lakhs for the year ended March 31, 2021 to ₹ 212.66 lakhs for FY 2022 showing an increase of 62.04%. This increase was mainly due to increase in interest on cash credit facility and interest on term loans. Interest and Financial Charges stood at 1.07% and 1.44% of Total income for FY 2021 and FY 2022, respectively.

#### **Profit after Tax and restatement adjustment (PAT)**

PAT decreased to ₹ 1070.64 lakhs for the FY 2022 from ₹ 1093.27 lakhs in FY 2021. This decrease was mainly on account of increase in depreciation and interest expenses. During FY 2022, our Company recorded PAT margin of 7.25% as against 8.05% for FY 2021.

### **Comparison of FY 2021 with FY 2020:**

#### **Revenue from operations**

The Revenue from operations for the FY 2021 is ₹ 12203.36 lakhs as compared to ₹ 7273.96 lakhs during the FY 2020 showing an increase of 67.77%. The sale of products was ₹ 11549.80 lakhs and the sale of services was ₹ 653.56 lakhs for the Fiscal 2021. The sale of products was ₹ 6546.91 lakhs and the sale of services was ₹ 727.05 lakhs for the Fiscal 2020. This increase was primarily due to increase in sales of medical devices.

Other Income for the FY 2021 and FY 2020 was ₹ 5.64 lakhs and ₹ 3.85 lakhs respectively. Hence the Total Income was for the FY 2021 and FY 2020 was ₹ 12209.00 lakhs and ₹ 7277.81 lakhs respectively..

### **Expenditure:**

#### **Purchase of Stock in trade**

Purchase of Stock in trade increased to ₹ 9501.86 lakhs for FY 2021 from ₹ 5976.80 lakhs for FY 2020. This increase was mainly due to increase in volume of business.

#### **Changes in Inventories**

Increase in Inventories was ₹ 461.36 lakhs for FY 2021 and ₹ 674.02 lakhs for FY 2020. This decline was mainly due to increase in inventory at the end of the year.

#### **Employee Benefit Expenses**

Employee Benefit Expenses increased from ₹ 160.91 lakhs for the year ended March 31, 2020 to ₹ 238.10 lakhs for FY 2021 showing a increase of 47.97%. This increase was mainly due to decrease in staff salary, incentives, bonuses and directors remuneration. Employee Benefit Expenses stood at 2.21% and 1.95% of Total income for FY 2020 and FY 2021, respectively.

#### **Other Expenses**

Other Expenses increased to ₹ 1235.27 lakhs for FY 2021 from ₹ 852.91 lakhs for FY 2020 showing an increase of 44.83%. Other Expenses was 10.12% of Total income during FY 2021 as against 11.72% during FY 2020.

#### **EBIDTA**

EBIDTA increased from ₹ 961.21 lakhs for FY 2020 to ₹ 1695.12 lakhs for FY 2021. During FY 2021, our Company recorded EBIDTA margin of 13.88% of the Total income as against 13.21% during FY 2020.

#### **Depreciation**

Depreciation on fixed assets was 0.60% of Total income during FY 2021 as compared to 0.49% during FY 2020. The total depreciation during FY 2020 was ₹ 35.80 lakhs and during FY 2021 it was ₹ 73.50 lakhs.

#### **Interest and Financial Charges**

Interest and Financial Charges increased from ₹ 53.32 lakhs for the year ended March 31, 2020 to ₹ 130.99 lakhs for FY 2021 showing a increase of 145.67%. This increase was mainly due to increase in interest on cash credit facility, interest on term loans and unsecured loans. Interest and Financial Charges stood at 0.73% and 1.07% of Total income for FY 2020 and FY 2021, respectively.

#### **Profit after Tax and restatement adjustment (PAT)**

PAT increased from ₹ 635.78 lakhs for the FY 2020 to ₹ 1093.27 lakhs in FY 2021. This increase was mainly on account of increase in revenue from operations and other reasons as detailed above. During FY 2021, our Company recorded PAT margin of 8.95% as against 8.74% for FY 2020.

#### **Cash Flows**

The following table sets forth certain information concerning our cash flows for the periods indicated:

(₹ in lakhs)

Particulars	Fiscal 2022	Fiscal 2021	Fiscal 2020
Net cash flow from operating activities	(1226.27)	187.50	(237.45)
Net cash flow from investing activities	279.37	(783.78)	(362.62)
Net cash flow from financing activities	1025.05	668.93	651.81
Net increase in cash and cash equivalents	78.15	72.65	51.74
Add: Balance at the beginning of the year	138.18	65.53	13.79
Cash and cash equivalents at the end of the year	216.33	138.18	65.53

**FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:****1. Unusual or infrequent events or transactions**

Since the onset of the COVID-19 pandemic in March 2020, our Company has responded swiftly by implementing various processes to ensure our operations continue seamlessly. As we are engaged in marketing of medical equipment and devices, which helps the user to monitor their health from their home, our products such as oximeter, gluco meter, oxygen concentrator, nebulizer, BP monitor and medical consumables like personal protection kits, disinfection products were categorized under the essential goods' and our operations were not shut down during this pandemic. Further, these products also helped the user from visiting the hospitals during the lockdown. However, due to limited availability of logistics and supply chain constraints, we were impacted during the initial period of the lockdown. We continued our operation after making arrangements to meet the government's requirements on sanitization, people movement and social distancing. Home healthcare helps reduce hospital visits, thereby reducing hospital induced infections. While the effort to reduce hospital acquired infections is a continual battle, the raging COVID-19 pandemic and fear of infection has pushed people towards virtual visits and home health products where hospitalization was not necessary e.g. digital blood pressure monitors, nebulizers, thermometers etc. We proactively engaged with our clients to reassure them and to demonstrate our commitment to restart our operations and to build confidence in the safety protocols deployed at our office. As a result, we have experienced a gradual increase in business in the last quarter of the fiscal 2021.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled 'Risk Factors' beginning on page 16 of the Prospectus. To our knowledge, except as we have described in the Prospectus, there are no known factors which we expect to bring about significant economic changes.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue, or income from continuing operations.**

Apart from the risks as disclosed under Section titled "Risk Factors" on page 16 in the Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Our Company's future costs and revenues will be determined by demand/supply situation, government policies and prices quoted by service providers.

**5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Changes in revenues during the last three fiscal years are explained in "Management's Discussion and Analysis of Financial Condition & Results of Operations" under the subsection "Comparison of Financial Years ended March 31, 2021, 2020 and 2019" under the respective paragraphs titled "Operating Revenue".

**6. Total turnover of each major industry segment in which the issuer company operated.**

For details on the total turnover of the industry please refer to “*Industry Overview*” on page 61.

**7. Status of any publicly announced new products or business segment.**

Our Company has not announced any new product or business segment.

**8. The extent to which business is seasonal.**

Our business is not seasonal in nature.

**9. Any significant dependence on a single or few suppliers or customers.**

Particulars	Financial Year ended March 31, 2022	Financial Year ended March 31, 2021
Customers’ contribution Top 10 (%)	86.17	92.87
Suppliers contribution Top 10 (%)	83.82	82.27

**10. Competitive conditions.**

Competitive conditions are as described under “*Industry Overview*” and “*Our Business*” on pages 61 and 68, respectively.

### FINANCIAL INDEBTEDNESS

Following is a summary of our Company's outstanding borrowings as on August 31, 2022:

Sr. No.	Nature of Borrowing	Amount (₹ in lakhs)
1.	Secured Borrowings	3,296.27
2.	Unsecured Borrowings	49.16
	<b>Total</b>	<b>3,345.43</b>

The details of loans are as under:

There are following secured borrowings as on August 31, 2022:

(₹ in Lakhs)

Particulars	Sanctioned Amount	Outstanding as on 31.08.22	Rate of Interest	Security	Repayment
CITI BANK – CC0557876006	1,200.00	1038.24	6.7	First pari passu on current assets (stock and book debts) and exclusive charge on 1A and 1B, Vijaya Bhawan, Prabhat Colony, Santacruz East, Mumbai - 400055	On Demand
HDFC BANK CC A/C NO.5020006594573 5	2,800.00	2033.51	6.7	A1 A2/B1 B2, Navkala Bharti Building, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055, Maharashtra, India	On Demand
HDFC BANK (86059343)	108.32	92.92	8.25	A1 A2/B1 B2, Navkala Bharti Building, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055, Maharashtra, India	32 monthly installments
HDFC BANK (86352551)	124.06	124.06	8.25	A1 A2/B1 B2, Navkala Bharti Building, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055, Maharashtra, India	57 monthly installments
HDFC BANK LTD – TRUCK LOAN	15.00	7.54		Vehicle Loan	23 Tenure
<b>Total</b>	<b>4,247.38</b>	<b>3296.27</b>			

Unsecured Loans:

Particulars	Outstanding as on 31.08.22	Rate of Interest	Repayment
Mahesh Makhija	48.46	12%	On Demand
Rani Makhija (Prop: Queen's Marketing Services)	0.70	12%	On Demand

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.

Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

Unless otherwise stated, all proceedings are pending as of the date of this Prospectus. All information provided below is as of the date of this Prospectus.

None of our Promoters or Directors are Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

**LITIGATION INVOLVING OUR COMPANY:** Nil

**LITIGATION INVOLVING THE DIRECTORS:** Nil

**LITIGATION INVOLVING OUR PROMOTERS:** Nil

**LITIGATION INVOLVING OUR GROUP ENTITIES:** Nil

#### **TAX PROCEEDINGS:**

A summary of tax proceedings involving our Company, our Promoter, our Directors, or our Group Companies are stated below:

<b>Nature of case</b>	<b>Number of cases</b>	<b>Amount involved (in ₹lakhs)</b>
<b>Company</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Our Promoter</b>		
Direct Tax	1	0.58
Indirect Tax	Nil	Nil
<b>Our Directors</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Our Group Companies</b>		
Direct Tax	7	4.23

Indirect Tax	Nil	Nil
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The table above does not include those penalties, interests and costs, if any, which may be imposed or which may have been pleaded but not quantified in the course of legal proceedings, or which the Court / Tribunal otherwise has the discretion to impose. The imposition and amount of such penalties / interests / costs are at the discretion of the court / tribunal where the case is pending.

**LEGAL NOTICES RECEIVED BY OUR COMPANY, OUR PROMOTER AND OUR DIRECTORS: NIL**

**MATERIAL FRAUDS AGAINST OUR COMPANY**

There have been no material frauds committed against our Company in the five years preceding the year of this Prospectus.

**PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES**

There are no proceedings initiated against our Company for any economic offences.

**NON-PAYMENT OF STATUTORY DUES**

As on the date of the Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

**PAST CASES WHERE PENALTIES WERE IMPOSED**

There are no past cases where penalties were imposed on our Company by concerned authorities/courts.

**OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

**PAST INQUIRIES, INSPECTIONS, OR INVESTIGATIONS**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act 2013 or any previous company law in the last five years immediately preceding the year of the Prospectus in the case of Company, Promoters, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Prospectus.

Further, there is no legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the promoters during the last five years immediately preceding the year of the issue of the Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

**OUTSTANDING DUES TO CREDITORS**

As per the Materiality Policy, our Board has approved that each creditor, to whom our Company individually owes a net aggregate amount that exceeds 5.00% of the trade payables as per the Restated Financial Statements for the most recent financial year, shall be considered as a material creditor of our Company. Our Board has also approved that dues owed by our Company to small scale undertakings as per the Restated Financial Statements for the most recent financial year shall be disclosed in a consolidated manner.

As of March 31, 2022, our Company, in its ordinary course of business, has following amount which is due towards trade creditors. As per the above policy, consolidated information of outstanding dues, as at March 31, 2022, owed to small scale undertakings, material dues to trade creditors separately, giving details of number of cases and aggregate amount for such dues is as under:

Particulars	Number of cases	(₹ in lakhs)
		Amount Outstanding
Dues to small scale undertakings	5	40.18
Material dues to creditors	26	1563.75



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Other dues to creditors	35	86.89
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Further, our Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year end together with interest payable as required under the said Act have not been furnished. Our Company does not owe any small-scale industries or any MSMEs any amounts exceeding ₹1 lakh which is outstanding for more than 30 days. There are no disputes with such entities in relation to payments to be made to them.

The details pertaining to net outstanding dues towards our creditors are available on the website of our Company at [www.qmsmas.com](http://www.qmsmas.com). It is clarified that such details available on our website do not form a part of this Prospectus. Anyone placing reliance on any other source of information, including our Company's website, [www.qmsmas.com](http://www.qmsmas.com), would be doing so at their own risk.

### **Material Developments**

Except as stated in “*Management’s Discussion and Analysis of Financial Condition and Results of Operation*” on page 122, there have not arisen, since the date of the last financial statements disclosed in the Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

We have set out below a list of material approvals, consents, licences, and permissions from the governmental and regulatory authorities obtained by our Company which are considered material and necessary for the purpose of undertaking our business activities and operations. In view of the approvals listed herein, our Company can undertake the Offer and its current business activities. Unless otherwise stated, our Company has obtained all material approvals and the same are valid as of the date of this Prospectus. The material approvals, consents, licenses, registrations, and permits obtained by our Company which enable it to undertake its current business activities are set forth below. Further, as on the date of this Prospectus, our Company does not have any material subsidiaries.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities. For further details in connection with the regulatory and legal framework within which we operate, please refer “Key Regulations and Policies” on page 75.

### A. Corporate / General Authorizations

Sr. No.	Authorisation granted	Issuing Authority	Registration No./CIN	Date of Issue	Valid up to
1.	Certificate of incorporation in the name of “QMS Medical Allied Services Private Limited”	Registrar of Companies, Mumbai	U33309MH2017PTC299748	September 14, 2017	Valid until cancelled
2.	Fresh Certificate of Incorporation Consequent upon Change of Name on Conversion to Public Limited Company in the name of “QMS Medical Allied Services Limited”	Registrar of Companies, Mumbai	U33309MH2017PLC299748	November 6, 2020	Valid until cancelled

### B. Issue Related Authorizations

- Our Board of Directors has, pursuant to a resolution passed at its meeting held on April 26, 2022, authorised the Issue subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.
- The shareholders of our Company have authorised the Issue, pursuant to a special resolution under Section 62(1)(c) of the Companies Act, 2013, passed at their EGM held on May 12, 2022.
- Our Company has obtained in-principle approval dated July 25, 2022 from the National Stock Exchange of India Limited.
- Our Company's International Securities Identification Number (“ISIN”) is INE0FMW01018.

### C. Tax Related Authorisations

Sr. No.	Authorisation Granted	Issuing Authority	Registration No. / Reference No. / License No.	Applicable Act/ Regulation	Valid up to
1.	Permanent Account Number (PAN)	Income Tax Department, GoI	AAACQ4954G	Income Tax Act, 1961	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	Income Tax Department, GoI	MUMQ01292E	Income Tax Act, 1961	Valid until cancelled
3.	GSTIN Certificate of Registration	Government of India And Government of Maharashtra	27AAACQ4954G1ZB	GST Act	Valid until cancelled

**D. Business Related Authorisations**

<b>Details of License</b>	<b>Validity</b>
Licence to sell, stock or exhibit (or offer) for sale or distribute by wholesale, drugs other than those specified in [Schedules C, C (1) and X ], subject to the conditions specified below and to the provisions of the Drugs and Cosmetics Act, 1940 and the Rules thereunder.	January 20, 2027
Licence to sell, stock or exhibit (or offer) for sale or distribute by wholesale drugs specified in Schedules C and C(1) [excluding those specified in Sch. X]	January 20, 2027
Loan Licence to Manufacture for Sale or for Distribution of Class A or Class B medical device (Blood Pressure Monitor with USB)	Valid until cancelled
Certificate of Importer- Exporter Code for Company’s office situated at A1 A2/B1 B2, Plot No.16, Navkala Bharati Building, Prabhat Colony Opp. Near Santacruz Bus Depot, Santacruz east, Mumbai Suburban, Maharashtra, 400055.	Valid until cancelled
License to Import Medical Device, to import the medical device(s) manufactured by overseas manufacturer having manufacturing site as specified.	Valid until cancelled
Loan Licence to Manufacture for Sale or for Distribution of Class C or Class B medical device (Nebulizer).	Valid until cancelled
Licence to Import Medical Device, to import the medical device(s) (Infrared Ear Thermometer/ Temple Thermometer) manufactured by overseas manufacturer having manufacturing site as specified.	Valid until cancelled
Registration certificate under the Maharashtra shop and Establishments (Regulations of Employment and conditions of Service) Act ,2017 as COMMERCIAL II.	Valid until cancelled
Udyam-MH-18-0013077 – registration under ministry of MSME, Government of India.	Valid until cancelled
Certificate of registration under the rule 27 of the Legal Metrology (packaged commodities), Rules, 2011.	Valid until cancelled
FSSAI License, under Food Safety and Standards Act, 2006 for Foodstuffs, Beverages excluding diary products and intended for particular nutritional uses. C	August 3, 2023

**E. Intellectual Property Registration**

Our Company does not own any intellectual property.

**F. Approvals applied for but not yet received / Renewals made in the usual course of business: Nil**

**G. Material licenses / approvals for which our Company is yet to apply for / Statutory Approvals / Licenses required: Nil**

## **OUR GROUP ENTITIES**

As per the requirements of SEBI (ICDR) Regulations, for the purpose of identification of ‘Group Companies’, our Company considered companies as covered under the applicable accounting standards, being AS 18 (as mentioned in our restated financial statements), or other companies as considered material by our Board.

For details please refer to section titled “Our Promoters and Promoter Group” beginning on page 92 of the Prospectus.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the offer

#### Corporate Approvals

- Our Board has, pursuant to its resolution dated April 26, 2022, authorized the Offer, subject to the approval of the Equity Shareholders of our Company under Section 62(1)(c) of the Companies Act 2013.
- Our Equity Shareholders have, pursuant to a resolution dated May 12, 2022, under Section 62(1)(c) of the Companies Act, authorized the Offer.
- Further, our Board of Directors have taken on record the consent of the Selling Shareholder, Mahesh Makhija to participate in the Offer for Sale pursuant to a resolution passed at its meeting held on April 26, 2022.

The Selling Shareholders has, authorized and confirmed the transfer of its portion of the Offered Shares pursuant to the Offer for Sale, as set out below:

Name of the Selling Shareholder	Number of Offered Shares in the Offer for Sale	Date of Selling Shareholders' Consent Letter	Date of corporate authorization / board resolution
Mahesh Makhija	Upto 19,00,000 Equity Shares	April 26, 2022	April 26, 2022

We have received in-principle approval from NSE *vide* their letter dated July 25, 2022 to use the name of NSE in this Offer Document for listing of our Equity Shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

### Prohibition by SEBI, the RBI, or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group, the persons in control of our Company and the Selling Shareholders have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority or court, including any securities market regulator in any jurisdiction.

### Prohibition by RBI

Neither our Company, our Promoter, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company, or the selling shareholder have been identified as a wilful defaulter or a fugitive economic offender and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them.

Neither our Company, our Promoter, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India;

None of our Promoters or Directors are Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

### Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoter, members of the Promoter Group and the selling shareholder, are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended (“SBO Rules”), to the extent applicable to each of them as on the date of this Prospectus.

### Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market and there has been no action initiated by SEBI against the Directors of our Company in the five years preceding the date of this Prospectus.

### Eligibility for this Offer

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Offer.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Offer is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as we are an Issuer whose post issue paid up capital is less or equal to Rs. 10 crore and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "Emerge Platform of National Stock Exchange of India Limited").

We confirm that:

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Offer is 100% underwritten and that the LM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "General Information " beginning on page 36.
2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within four (4) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of four (4) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, our Lead Manager has submitted a soft copy of the Prospectus to SEBI at the time of filing the Prospectus with Stock Exchange. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus. In terms of Regulation 246(1) and (3) of the SEBI (ICDR) Regulations, we shall ensure that our Lead Manager submits a copy of the Offer Document along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Offer Document with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Offer Document.
4. In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we shall enter into an agreement with the Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the Emerge Platform of NSE. For further details of the arrangement of market making please refer to section titled "General Information " beginning on page 36.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the Emerge Platform of the NSE:

- a) Our Company was incorporated on September 14, 2017, with the Registrar of Companies, Mumbai under the Companies Act, 2013 in India.
- b) As on the date of this Prospectus, our Company has a paid-up capital of ₹1505.00 lakhs and the Post Issue Paid-up Equity Share Capital will be ₹1,785.00 lakhs which is less than ₹2,500 lakhs.
- c) Our Company has a track record of at least three years.
- d) Our company has positive cash accruals on the basis of restated financials (earnings before depreciation and tax) from operations for at least 2 financial years preceding, below are the details:

(₹ Lakhs)

Particulars	2021-22	2020-21	2019-20
Profit Before Tax	1,445.74	1,490.64	872.09
Add: Depreciation	116.26	73.50	35.80
Less :Other Income	142.48	5.64	3.85
<b>Positive Cash Accruals (Earnings Before Depreciation and Tax)</b>	<b>1,419.52</b>	<b>1,558.50</b>	<b>904.04</b>

- e) The net worth as per the restated financials of our Company as on March 31, 2022 is ₹3102.97 lakhs.
- f) Our Company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) and no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- g) Our Company has not received any winding up petition admitted by a NCLT / Court.
- h) No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past three years against our Company.

Other Disclosures:

- i) Any material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company: **Not Applicable**
- j) Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years: **Not Applicable**
- k) We have disclosed the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation. **Complied with**
- l) In respect of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences. **Not Applicable**
- m) There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE for listing on Emerge Platform of NSE.
- n) We have a website: [www.qmsmas.com](http://www.qmsmas.com)

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the NSE Emerge platform. NSE is the Designated Stock Exchange.
- Our Company has entered into an agreement with both the depositories for dematerialisation of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoters is in dematerialised form.
- The requirement of firm arrangements of finance through verifiable means towards seventy five per cent of the stated means of finance for funding from the Offer Proceeds, excluding the amount to be raised through the proposed public offer

or through existing identifiable internal accruals is not applicable to our Company. For details, please refer the chapter “Objects of the Offer” on page 52.

Our Company confirms that the amount for general corporate purposes, as mentioned in objects of the issue in the offer document does not exceed twenty five per cent. of the amount being raised by our Company.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

(a) Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.

(b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.

(c) Neither our Company nor our Promoters or Directors is a wilful defaulter.

(d) Neither our Company nor our Promoters or Directors is a fraudulent borrower.

(e) None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Further, In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within four (4) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of four (4) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, FIRST OVERSEAS CAPITAL LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE LEAD MANAGER, FIRST OVERSEAS CAPITAL LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, FIRST OVERSEAS CAPITAL LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 15, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2018.**

**THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE**



**PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, West Bengal in terms of sections 26, 32 and 33 of the Companies Act, 2013.

**Disclaimer from our Company, our Directors, the Selling Shareholders and the Lead Manager**

Our Company, our Directors, Selling Shareholder and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, [www.qmsmas.com](http://www.qmsmas.com), or the website of any affiliate of our Company and its Group Companies or of the Selling Shareholder, would be doing so at his or her own risk. It is clarified that, Selling Shareholder accept or undertake no responsibility for any statements other than those specifically made or undertaken or confirmed by such Selling Shareholder in relation to itself and/ or their respective portion of the Offered Shares.

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU / Issue Agreement entered into between the Lead Manager and our Company dated June 24, 2022 and the Underwriting Agreement dated June 24, 2022 entered into between the Underwriter and our Company and the Market Making Agreement dated June 24, 2022 entered into among the Lead Manager, the Market Maker and our Company.

All information shall be made available by our Company, Selling Shareholder and the Lead Manager to the Applicants and public at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at collection centres or elsewhere.

None among our Company, the Selling Shareholder or any member of the Syndicate is liable for any failure in (i) uploading the applications due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Banks on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for our Company, selling shareholder, our Group Entities and our respective affiliates and associates in the ordinary course of business, and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company, selling shareholder or our Group Entities or their respective affiliates or associates for which they have received, and may in future receive compensation.

**Disclaimer in Respect of Jurisdiction**

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, Alternative Investment Fund, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹2,500 lakhs, pension fund with minimum corpus of ₹2,500 lakhs, National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and Insurance funds set up and managed by the Department of Posts, India, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company this Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Maharashtra, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that

purpose, except that the Draft Prospectus has been filed with NSE for its observations and NSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the selling shareholder since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **Disclaimer Clause of the Emerge Platform of NSE Limited**

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/1742 dated July 25, 2022, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

#### **Track records of past issues handled by First Overseas Capital Limited**

For details regarding the track record of the First Overseas Capital Limited, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of First Overseas Capital Limited at [www.focl.in](http://www.focl.in)

#### **Listing**

The Equity Shares of our Company are proposed to be listed on Emerge Platform of NSE. Our Company has obtained in-principle approval from NSE by way of its letter dated July 25, 2022 for listing of equity shares on Emerge Platform of NSE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the 40 to deal in and for an official quotation of the Equity Shares on the Emerge Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within Six (6) Working Days of the Offer Closing Date. The Selling Shareholder, confirms that it shall extend reasonable support and co-operation (to the extent of its portion of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Offer Closing Date, or within such

other period as may be prescribed. If Equity Shares are not Allotted pursuant to the Offer within Six (6) Working Days from the Offer Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law. For avoidance of doubt, no liability to make any payment of interest or expenses shall accrue to Selling Shareholder unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder and to the extent of its portion of the Offered Shares.

### **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who –*

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten 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.

### **Consents**

Consents in writing of (a) Our Directors, the Selling Shareholder, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Banker to the Company; (b) Lead Manager, Registrar to the Issue, Banker to the Issue/ Sponsor Bank, Legal Advisor to the Issue, Underwriter to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Our Company has received written consent from the Statutory Auditor namely, M/s. P.V. Dalal & Co., Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the report of the Peer Reviewed Auditor on the Restated Financial Statements, dated August 26, 2022 and the statement of tax benefits dated June 13, 2022 and such consent has not been withdrawn as on the date of this Prospectus.

### **Expert Opinion**

Except for the reports in the section “Financial Information of the Company” on Restated Financial Information and “Statement of Tax Benefits” on page 100 and page 59, from the Statutory Auditors, our Company has not obtained any expert opinions.

### **Previous Rights and Public Issues during the Last Five Years**

We have not made any previous rights and/or public issues during the last five years, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

### **Commission and Brokerage Paid on Previous Issues of our Equity Shares**

Since this is the Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

**Previous capital issue during the last three years by listed Group Companies and Subsidiary of our Company**

None of the Group Companies of our Company are listed. Further, none of our Group Companies have made any public or rights issue of securities in the preceding three years.

**Performance vis-à-vis objects**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

None of the Group Entities has made public issue of equity shares during the period of ten years immediately preceding the date of filing draft offer document with the National Stock Exchange of India Limited.

**Details of Fees Payable**

**Fees Payable to the Lead Manager**

The total fees payable to the Lead Manager (including underwriting fees) will be as per the Memorandum of Understanding and Underwriting Agreement among our Company and the Lead Manager, copy of which is available for inspection at the Registered Office of our Company.

**Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated June 24, 2022 a copy of which is available for inspection at our Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

**Fees Payable to Others**

The total fees payable to the Legal Advisor, Statutory Auditor and Advertisers, etc. will be as per the terms of their respective engagement letters, if any.

**Statement on Price Information of Past Issues handled by First Overseas Capital Limited:-****TABLE 1**

Sr. No.	Issue Name	Issue Size (Rs. Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on listing date	+/-% change in closing price, [+/-% change in closing benchmark]-30th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]-90th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]-180th calendar days from listing
1)	Novateor Research Laboratories Ltd	4.49	24.00	13-09-2019	24.00	+0.74(0.02)	+17.08(-0.29)	-57.17(12.20)
2)	Janus Corporation Ltd	7.99	50.00	06-02-2020	50.70	+6.51(-8.51)	+6.51(-18.15)	+32.05(-18.32)
3)	RO Jewels Limited	4.91	36.00	25-03-2020	36	-4.96(-2.93)	0(+2.74)	-8.93(3.71)
4)	Party Cruisers Limited	7.75	51.00	05-03-2021	54	-0.67(-0.01)	-0.65(+0.04)	+0.72(+0.13)
5)	BEW Engineering Limited	3.97	58.00	16-09-2021	127.60	+3.18(+0.03)	+7.19(-0.02)	-4.20 (-0.6)
6)	Nidan Healthcare & Laboratories Limited	50.00	125.00	12-11-2021	106.35	-0.51(-0.03)	-0.60(-0.02)	-0.68(-0.10)
7)	Precision Metaliks Limited	21.93	51.00	01-02-2022	75.00	-0.37(-0.06)	-0.45 (-0.03)	-0.61(-0.02)
8)	Vaidya Sane Ayurved Laboratories Limited	20.22	73.00	23-02-2022	102.00	+0.78(+0.01)	+0.66 (-0.06)	+0.31(+0.03)
9)	Nanavati Ventures Limited	2.19	50.00	06-05-2022	50.00	-0.21(0.02)	-0.34(+0.02)	N.A.

**Note:-**

1. The BSE Sensex and Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

**TABLE 2: SUMMARY STATEMENT OF DISCLOSURE**

Financial Year	Total no. Of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount-180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium-180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022-23*	1	2.19	-	-	1	-	-	-	-	-	-	-	-	-
2021-22	4	96.13	-	1	1	2	-	-	1	1	-	2	-	-
2020-21	1	7.75	1	0	0	0	0	0	1	0	0	0	0	0
2019-20	3	17.39	0	0	1	0	0	2	1	0	1	0	0	1

\* Upto date of this Prospectus

### **Outstanding Debentures or Bond Issues or Redeemable Preference Shares**

As on the date of this Prospectus, our Company has no outstanding debentures, bonds, or redeemable preference shares.

### **Partly Paid-Up Shares**

As on the date of this Prospectus, there are no partly paid-up Equity Shares of our Company.

### **Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Prospectus.

### **Option to Subscribe**

- a. Investors will get the allotment of specified securities in dematerialization form only.
- b. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.

### **Stock Market Data for our Equity Shares**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

### **Investor Grievances and Redressal System**

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

Further, the Applicants shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Applicants. Our Company, the Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission, or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in). Our Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

The Board has constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For further details, please refer to the “*Our Management*” on page 81.

Our Company has appointed CS Toral Jailesh Bhadra as the Company Secretary and Compliance Officer and she may be

contacted at the following address:

**Toral Jailesh Bhadra**

A1 A2/B1 B2, Navkala Bharti Building,  
Plot No16, Prabhat Colony,  
Near Santacruz Bus Depot, Santacruz East,  
Mumbai-400055, Maharashtra, India  
Tel: +91 22 6288 1111  
Fax: Not Available  
E-mail: [contact@qmsmas.com](mailto:contact@qmsmas.com)  
Website: [www.qmsmas.com](http://www.qmsmas.com)

Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

As on the date of this Prospectus, there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Prospectus.

Our Company, Lead Manager and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

The Selling Shareholder, has authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to deal with, on its behalf any investor grievances received in the Offer in relation to its respective portion of the Offered Shares.

Our Group Companies and our Subsidiaries are not listed on any stock exchange.

**Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of nonroutine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.



## SECTION VIII – ISSUE RELATED INFORMATION

### TERMS OF THE OFFER

All Applicants should review the General Information Document for Investing in Public Offer prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the website of the Stock Exchange and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Offer.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

#### **The Offer**

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in “Objects of the Offer”, beginning on page 52.

#### **Ranking of Equity Shares**

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. The Allottees in receipt of Allotment of Equity Shares under this Offer will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer “Main Provisions of Articles of Association” on page 179.

#### **Authority for the Issue**

This Offer has been authorized by a resolution of the Board passed at their meeting held on April 26, 2022 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on May 12, 2022.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 1956 and Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection to recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, in cash as per the provisions of the Companies Act and our Articles of Association.

## Face Value and Offer Price per Share

The face value of the Equity Shares is ₹10.00 each and the Offer Price is ₹121.00 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under “Basis for Offer Price” on page 57. At any given point of time there shall be only one denomination for the Equity Shares.

## Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, the terms of the listing agreements with the Stock Exchange(s) and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer “Main Provisions of Articles of Association” on page 179.

## Jurisdiction

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities in Mumbai, India.

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

**The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## 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 joint – tenants with benefits of survivorship.

## Allotment only in Dematerialised Form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories, and the Registrar to the Offer:

- Agreement dated November 24, 2020 amongst NSDL, our Company and the Registrar to the Offer; and
- Agreement dated January 8, 2021 amongst CDSL, our Company and the Registrar to the Offer.

## Market Lot and Trading Lot

The trading of the Equity Shares will happen in the minimum contract size of 1,000 Equity Shares and the same may be modified by the Emerge Platform of NSE from time to time by giving prior notice to investors at large.

### Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first Applicant, along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

### Minimum Number of Allottees

Further in accordance with the Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and the monies blocked by the SCSBs and sponsor bank, shall be unblocked within 4 working days of closure of Offer.

### Period of the Subscription list of the Public Issue

Event	Indicative Date
Offer Opening Date	September 27, 2022
Offer Closing Date	September 30, 2022
Finalization of Basis of Allotment with the Designated Stock Exchange	October 6, 2022
Initiation of Refunds	October 7, 2022
Credit of Equity Shares to Demat Accounts of Allottees	October 10, 2022
Commencement of trading of the Equity Shares on the Stock Exchange	October 11, 2022

**The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholder and the Lead Manager. Whilst our Company and the Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Selling Shareholder confirm that they shall extend complete co-operation required by our Company and the Lead Manager for the completion of the**

**necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Offer Closing Date, or within such other period as may be prescribed.**

### **Minimum Subscription**

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Offer through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer and Selling shareholder shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and the Selling Shareholders, to the extent applicable, shall pay interest prescribed under the applicable law. No liability to make any payment of interest shall accrue to any Selling Shareholder unless any delay in making any of the payments hereunder or any delay in obtaining listing and/or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder and to the extent of its portion of the Offered Shares.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “*General Information*” on page 36.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

### **Arrangements for Disposal of Odd Lots**

The trading of the equity shares will happen in the minimum contract size of 1,000 Equity Shares. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE.

### **Option to receive Equity Shares in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, the Equity Shares in the Issue shall be allotted only in dematerialised form. Further, as per the SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchange.

### **Migration to Main Board**

In accordance with the National Stock Exchange of India Limited Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the Emerge Platform of the NSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of BSE Limited as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations. Our Company may migrate to the main board of NSE from the SME Platform on a later date subject to the following:

- a) If the Paid up Capital of the company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares issued and transferred through this Offer are proposed to be listed on the NSE Emerge with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE Limited. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 36 of this Prospectus.

**As per the extent Guideline of the Government of India, OCBs cannot participate in this Offer.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

**New Financial Instruments**

The Issuer Company is not issuing any new financial instruments through this Offer.

**Application by Eligible NRI’s, FPI’s, VCF’s, AIF’s registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

**Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoters’ minimum contribution as provided in “*Capital Structure*” on page 43, and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer “*Main Provisions of Articles of Association*” on page 179.

## OFFER STRUCTURE

This Offer is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed more than ten crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the Emerge Platform of NSE Limited). For further details regarding the salient features and terms of such an issue please refer "*Terms of the Issue*" and "*Issue Procedure*" on page 149 and 154, respectively.

### Following is the Issue structure:

INITIAL PUBLIC OFFERING OF UP TO 47,00,000 EQUITY SHARES OF ₹10 EACH ("EQUITY SHARES") OF QMS MEDICAL ALLIED SERVICES LIMITED ("QMS" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ 121.00 PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ 5687.00 LAKHS ("THE OFFER"), COMPRISING A FRESH ISSUE OF UP TO 28,00,000 EQUITY SHARES AGGREGATING TO ₹ 3,388.00 LAKHS BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 19,00,000 EQUITY SHARES BY MAHESH MAKHIJA ("THE PROMOTER SELLING SHAREHOLDER" OR "THE SELLING SHAREHOLDER") AGGREGATING TO ₹ 2,299.00 LAKHS ("OFFER FOR SALE"). OF THE OFFER, 2,36,000 EQUITY SHARES AGGREGATING TO ₹285.56 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION I.E. OFFER OF 44,64,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT AN ISSUE PRICE OF ₹121.00 PER EQUITY SHARE AGGREGATING TO ₹5401.44 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE 26.33% AND 25.01%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Particulars	Net Issue to Public <sup>^</sup>	Market Maker reservation portion
<b>Number of Equity Shares</b>	44,64,000 Equity Shares	2,36,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.98% of the Issue Size  (50% for the Retail Individual Investors and the balance 50% for Other than Retail Individual Investors).	5.02% of the Issue Size
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of 1,000 Equity Shares and Further allotment in multiples of 1,000 Equity Shares each.  For further details please refer to the section titled " <i>Offer Procedure</i> " on page 157.	Firm Allotment
<b>Mode of Application*</b>	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for UPI Applicants using Syndicate ASBA).	
<b>Minimum Application Size</b>	<b><u>For QIB and NII:</u></b> Such number of Equity Shares in multiples of 1,000 Equity Shares at an Issue price of ₹121 each such that the Application Value exceeds ₹2,00,000  <b><u>For Retail Individuals:</u></b> 1,000 Equity Shares at an Issue price of ₹121 each.	2,36,000 Equity Shares at an Issue price of ₹121 each.
<b>Maximum Application</b>	<b><u>For QIB and NII:</u></b>	2,36,000 Equity Shares at an Issue

Particulars	Net Issue to Public <sup>^</sup>	Market Maker reservation portion
	The maximum application size is the Net Issue to public i.e. 44,64,000 Equity Shares, subject to limits the investor has to adhere under the relevant laws and regulations as applicable.  <b><u>For Retail Individuals:</u></b> 1,000 Equity Shares at an Issue price of ₹121 each.	price of ₹121 each.
<b>Mode of Allotment</b>	Dematerialized Form	Dematerialized Form
<b>Trading Lot</b>	1,000 Equity Shares	1,000 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations.
<b>Terms of payment</b>	The entire Application Amount will be payable at the time of submission of the Application Form.	

*This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer 'Terms of the Offer' on page 149.*

\*As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price offer the allocation in the net offer to the public category shall be made as follows:

- d) Minimum fifty percent to retail individual investors; and
- e) Remaining to:
  - i. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- f) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

*If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.*

*\* In case of joint Application, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.*

### **Withdrawal of the Issue**

The Company and the selling shareholder in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Offer Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of NSE for listing of Equity Shares offered through this Offer on its SME Platform, which the Company shall apply for after Allotment and,
2. The final ROC approval of the Prospectus after it is filed with the ROC.

In case, the Company wishes to withdraw the Issue after Offer Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

### Issue Programme

<b>Offer Opening Date</b>	September 27, 2022
<b>Issue Closing Date</b>	September 30, 2022

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time).

Standardization of cut-off time for uploading of Applications on the Issue Closing Date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of Applications.
- b) A standard cut-off time of 4.00 p.m. for uploading of Applications received from other than Retail Individual Applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of Applications received from only Retail Individual Applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of Applications received up to the closure of timings and reported by Lead Manager to NSE within half an hour of such closure.

It is clarified that Applications not uploaded, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per physical application form of that Applicant may be taken as the final data for the purpose of Allotment.

Applications will be accepted only on Working days i.e. all days excluding Saturdays, Sundays, and public holidays, on which the commercial banks in the city as notified in the offer document are open for business.



## OFFER PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.*

*Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Prospectus before investing in the Issue.*

*Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Prospectus.*

*Further, our Company and the Lead Manager do not accept any responsibility for any adverse occurrences consequent to the implementation of the UPI mechanism for application in this Offer.*

*The lists of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbroker, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that has been notified by National Stock Exchange of India Limited to act as intermediaries for submitting Application Forms are provided on <https://www.nseindia.com>.*

SEBI through its circular no. (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (—UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (—UPI Phase II). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), issued by SEBI, the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by RIIs (“UPI Phase III”) and modalities of the implementation of UPI Phase III maybe notified and made effective subsequently, as may be prescribed

by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI applicants in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹5.00 lakhs shall use the UPI Mechanism.

Subsequently, pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

*Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Prospectus.*

*Further, our Company and the Lead Manager are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.*

#### **Phased implementation of Unified Payments Interface**

SEBI has issued a **UPI Circulars** in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

**Phase II:** This phase commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to be three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000

and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Subsequently, pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process. As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue the allocation in the net offer to the public category shall be made as follows:

- g) Minimum fifty percent to retail individual investors; and
- h) Remaining to:
  - i. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- i) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spillover from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN, UPI ID (in case of RIBs using the UPI mechanism) and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange.**

### **APPLICATION FORM**

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE ([www.nseindia.com](http://www.nseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Offer Opening Date.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Retail Individual Investors using UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA

Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

Category	Colour <sup>(1)</sup>
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FII's, FVCI's, etc. applying on a repatriation basis (ASBA)	Blue

(1) Excluding electronic Application Form.

RIIs and other Individual investors using UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. An Investor, intending to subscribe to this Offer, shall submit a completed application form to any of the following Intermediaries (Collectively called "Designated Intermediaries")

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained.
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)('broker')
4.	A depository participant ('DP')(whose name is mentioned on the website of the Stock Exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ("RTA")(whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors and other Individual Inventors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as 'Intermediaries'), and intending to use UPI, shall also enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as proof of having accepted the application form, in physical form or electronic mode respectively.

The upload of the details in the electronic bidding system of the stock exchange will be done by:

<b>For the applications submitted by the investors to SCSB</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the Bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of the Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).  Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.

	Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.
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Stock exchange(s) shall validate the electronic details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID, Bank code and Location code, in the application details already uploaded.

For ASBA Applicants using UPI mechanism, the Stock Exchange shall share the application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to ASBA applicants for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate ASBA applicants (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to the Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16 ,2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

#### Who Can Apply?

1. Indian nationals' resident in India, who are not minors (except through their Legal Guardians), in single or joint names (not more than three);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in equity shares;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
6. Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, cooperative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB portion;
8. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Applications portion;
9. Venture Capital Funds registered with SEBI;

10. Foreign Venture Capital Investors registered with SEBI;
11. Eligible Qualified Foreign Investors;
12. Foreign Nationals and other non-residents (subject to eligibility norms specified in SEBI FPI Regulations, 2014 and other applicable provisions);
13. Multilateral and bilateral development financial institutions;
14. State Industrial Development Corporations;
15. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorized under their respective constitutions to hold and invest in equity shares;
16. Scientific and/or industrial research organizations authorized in India to invest in equity shares;
17. Insurance companies registered with Insurance Regulatory and Development Authority;
18. Provident Funds with a minimum corpus of ₹250 million and who are authorised under their constitution to hold and invest in equity shares;
19. Pension Funds with a minimum corpus of ₹250 million and who are authorised under their constitution to hold and invest in equity shares;
20. Limited liability partnerships;
21. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the Government of India, published in the Gazette of India;
22. Nominated Investor and Market Maker;
23. Insurance funds set up and managed by the army, navy, or air force of the Union of India and by the Department of Posts, India;
24. Any other person eligible to Apply in this Offer, under the laws, rules, regulations, guidelines, and policies applicable to them and under Indian laws.
25. As per the existing policy of the Government of India, OCBs cannot participate in this Offer. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.
26. Applications not to be made by:
  1. Minors (except through their Guardians)
  2. Partnership firms or their nominations
  3. Overseas Corporate Bodies

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

**Maximum and Minimum Application Size**

a) For Retail Individual Applicants:

The Application must be for a minimum of 1,000 Equity Shares and in multiples of 1,000 Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed ₹2,00,000. In case of revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed ₹2,00,000.

b) For Other Applicants [Non-Institutional Applicants and Qualified Institutional Buyer(s) (QIB)]:

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹2,00,000 and in multiples of 1,000 Equity Shares thereafter. Application cannot be submitted for more than the Issue Size. However, the maximum application size by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application.** Under the existing SEBI regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

The above Information is given for the benefits of the Applicants. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus.

### **Participation by associates and affiliates of the Lead Manager and the Syndicate Members**

The Lead Manager shall not be allowed to subscribe to this Offer in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue in non Retail Portion, where the allocation is on a proportionate basis and such subscription may be on their own account or on the behalf of their clients.

### **Option to subscribe in the Issue**

- a) As per Section 29(1) of the Companies Act, 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting of specified securities in physical form. However, they may get the specified securities re-materialized subsequent to allotment.
- b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c) A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable laws.

### **Applications by Mutual Funds**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to reject the Application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

### **Applications by Eligible NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (NRO) accounts for the full application amount, at the time of the submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

### **Application by FPIs (including FIIs)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it 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 who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

### **Applications by SEBI registered Venture Capital Funds, Alternative Investment Fund (AIF) and Foreign Venture Capital Investors**

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "SEBI VCF Regulations") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "SEBI AIF Regulations") prescribe, amongst others, the investment restrictions on AIFs.



The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Applications by Limited Liability Partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited Liability Partnerships can participate in the Issue only through the ASBA Process.

#### **Applications by Insurance Companies**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (“**IRDA Investment Regulations**”), as amended, as amended, are broadly set forth below:

- 1) Equity shares of a company: the least of 10.00% of the investee company’s subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
- 2) The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) The industry sector in which the investee company belongs to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹25 Crores a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason, therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a). With respect to applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (b). With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c). With respect to applications made by provident funds with minimum corpus of ₹25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the lead manager may deem fit.

***Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.***

***The above information is given for the benefit of the Applicants. The Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.***

#### **Applications by Provident Funds / Pension Funds**

In case of Applications made by provident funds with minimum corpus of ₹25 crores (subject to applicable law) and pension funds with minimum corpus of ₹ 25 crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

#### **Applications by Banking companies**

In case of Applications made by banking companies registered with RBI, certified copies of:

- (i) The certificate of registration issued by RBI, and
- (ii) The approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason, therefore.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the “**Banking Regulation Act**”), and Master Circular – Para-banking Activities dated July 1, 2015 is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

#### **Applications by Self Certified Syndicate Banks (SCSBs)**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

### **Information for the Applicants**

1. Our Company and the Lead Manager shall declare the Offer Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.
3. Copies of the Application Form along with Abridged Prospectus and copies of the Prospectus will be available with the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected.
7. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs) , the relevant SCSB , shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
8. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
9. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange. Designated Intermediaries do not match with PAN, the DP ID, and Client ID available in the Depository database, the Application Form is liable to be rejected.

### **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) APPLICANTS**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus.

ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

**Method and Process of Applications**

1. Applicants are required to submit their applications during the Issue Period only through the Designated Intermediaries.
2. The Issue Period shall be for a minimum of three (3) Working Days and shall not exceed ten (10) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten (10) Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Offer.
5. The Designated Intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

For the applications submitted by the investors to SCSB	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the Bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of the Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	<p>After accepting the application form, respective intermediary shall capture and upload the relevant details, including UPI ID, in the electronic system of stock exchange(s).</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.</p>

6. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

7. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
9. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

### **Terms of payment**

The entire Issue price of ₹ 121 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs or Sponsor Bank to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

### **Payment mechanism for Applicants**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, may use UPI. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, may use UPI. Pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

### **Electronic Registration of Applications**

The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities on a regular basis before the closure of the issue.

On the Issue Closing Date, the Designated Intermediaries may upload the applications till such time as may be permitted by the Stock Exchange.

c) Only Applications that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. In the Phase 1, the Designated Intermediaries are given till 1:00 pm on the day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange send the application information to the Registrar to the Issue for further processing.

### **Other Instructions**

#### **Joint Applications in the case of Individuals**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

#### **Multiple Applications**

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature, and father/ husband's name to determine if they are multiple applications.
- ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

#### **Permanent Account Number or PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be

specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

### **Allocation of Equity shares**

1) The Offer is being made through the Fixed Price Process wherein 2,36,000 Equity Shares shall be reserved for Market Maker. 22,32,000 Equity Shares having face value of ₹10.00 each at a price of ₹121 per Equity Share aggregating ₹2700.72 lakhs will be available for allocation to Retail Individual Investors. 22,32,000 Equity Shares having face value of ₹10.00 each at a price of ₹121 per Equity Share aggregating ₹2700.72 lakhs will be available for allocation to other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.

2) Under-subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines, and approvals.

4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.

5) Allotment status details shall be available on the website of the Registrar to the Issue.

### **Signing of Underwriting Agreement**

Vide an Underwriting Agreement dated June 24, 2022 this Offer is 100% Underwritten.

### **Filing of the Prospectus with the ROC**

The Company will file a copy of the Prospectus with the ROC in terms of 26 of the Companies Act, 2013.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation.

### **Issuance of Allotment Advice**

1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.

2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding, and irrevocable contract for the Allotment to such Applicant.

3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **Designated Date**

On the Designated Date, the Registrar to the Offer shall instruct the SCSBs or Sponsor Bank to unblock funds represented by allocation of Equity Shares from ASBA Accounts into the Public Offer Account.

### **GENERAL INSTRUCTIONS**

**Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application.
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- 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.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process the SCSBs where the Applicant has a bank account or a UPI ID linked Bank Account, the Registered Broker (at the Broker Centre's), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- Ensure that you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account/ UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs.2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.



- The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Further, helpline details of the Lead Manager pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 are set forth in the table below:

Name of the Lead Manager	Helpline (email)	Telephone
First Overseas Capital Limited	<a href="mailto:investorcomplaints@focl.in">investorcomplaints@focl.in</a>	+91 22 4050 9999

### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchange, along with the Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

### **Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial), enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com)

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID.

### **Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN Nos, UPI ID (if applicable), Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the

Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment shall be made within three (3) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Impersonation**

*Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

*"Any person who—*

*(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

*(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

*(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447 of Companies Act, 2013 and shall be treated as Fraud."*

### **Mode of Refunds**

a) **In case of ASBA Applicants:** Within 6 (six) Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, for any excess amount blocked on Application, for any ASBA application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer

b) In the case of Applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

c) In case of Other Investors: Within six Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

### **Mode of making refunds for Applicants other than ASBA Applicants**

The payment of refund, if any, may be done through various modes as mentioned below:

(i) NECS - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder as obtained from the Depository;

(ii) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Bidders' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Bidders through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(iii) Direct Credit – Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

(iv) RTGS – Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the bidder, DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the Lead Manager or the Registrar to the Issue or the Escrow Collection Bank nor the Company shall have any responsibility and undertake any liability for the same;

(v) Please note that refunds, on account of our Company not receiving the minimum subscription, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank. For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Bidders may refer to Prospectus.

### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer shall make the Allotment within the period prescribed by SEBI. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the applicant shall be compensated in accordance with applicable law, i.e. the applicant shall be compensated at a uniform rate of Rs. 100.00 per day for the entire duration of delay exceeding Four (4) working days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

### **Undertakings by our Company**

We undertake as follows:

- i. That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- ii. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within the period prescribed by the Board;
- iii. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- iv. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- v. That no further Issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.;
- vi. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- vii. That if our Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- viii. If our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Offer;

### **Undertaking by the Selling Shareholder**

Only statements and undertakings which are specifically “confirmed” or “undertaken” by the Selling Shareholder in this Prospectus shall be deemed to be “statements and undertakings made by the Selling Shareholder”. All other statements and/ or undertakings in this Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholder. The Selling Shareholder severally and not jointly, specifically confirms and undertakes the following in respect of himself and the Equity Shares being offered by it pursuant to the Offer for Sale:

1. The portion of the offered Shares shall be transferred in the offer free and clear of any pre-emptive rights, liens, mortgages, charges, pledges, trusts or any other encumbrance or transfer restrictions, both present and future, in a manner prescribed under Applicable Law in relation to the Issue, and without any objection by it and in accordance with the instructions of the Registrar to the Issue.
2. The portion of the offered Shares have been held by such Selling Shareholder for a minimum period of one year prior to the date of filing this Prospectus, such period determined in accordance with Regulation 26 (6) of the SEBI ICDR Regulations.
3. He is the legal and beneficial owner and has full title of its respective portion of the offered Shares.
4. That he shall provide all reasonable co-operation as requested by our Company and the LM in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of its respective portion of the offered Shares.
5. He will not have recourse to the proceeds of the Offer for Sale, until approval for final listing and trading of the Equity Shares is received from the Stock Exchanges.
6. He will deposit its respective portion of the offered Shares in an escrow account opened with the Share Escrow Agent prior to filing of the Prospectus with the RoC.
7. He shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making a Application in the Issue, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person who makes a Application in the Issue.
8. That he will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the LM in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Issue, except as permitted under applicable law;
9. The Selling Shareholder has authorized the Company Secretary and Compliance Officer of our Company and the Registrar to the Issue to redress any complaints received from Applicants in respect of the Offer for Sale.

#### **UTILIZATION OF THE FRESH ISSUE PROCEEDS**

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Offer Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as Department of Industrial Policy and Promotion*) (“**DPIIT**”), issued the FDI Policy, which is effect from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Issue Period.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## **SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION**

Subject as hereinafter provided, the regulations contained in Table ‘F’ in the Schedule I to the Companies Act, 2013 shall apply to the Company as so far as they are not inconsistent with any of the provisions contained in these regulations or modifications thereof and only to the extent that there is no specific provisions in these regulations. In case of any conflict between the express provisions herein contained and the incorporated Regulations of ‘Table F’, the provisions herein shall prevail.

### **Interpretation**

I. (1) In these regulations—

- (a) "Act" means the (Indian) Companies Act, 1956 or the Companies Act, 2013, whichever is applicable, the rules made thereunder and any amendments thereto or re-enactments thereof from time to time.
- (b) "The seal" means the common seal of the company.
- (c) "These Articles" means these Articles of Association as originally framed or as altered from time to time.
- (d) "The Company" means QMS MEDICAL ALLIED SERVICES LIMITED.
- (e) "Board of Directors" or "Board" means the collective body of Board of Directors of the Company and shall include a Committee thereof.
- (f) "The Office" means the Registered Office of the Company for the time being.
- (g) "The Register" means the Register of Members to be kept pursuant to Section 88 of the Act.
- (h) "Dividend" includes any interim dividend.
- (i) "Year" means Financial Year shall have the meaning assigned thereto by Section 2(41) of the Act.
- (j) "In Writing" and "Written" shall include printing, lithography and other mode of representing or reproducing words in a visible form.
- (k) Words importing the singular number also include the plural number and vice-versa.
- (l) Words importing the masculine gender also include the feminine gender.
- (m) Words importing the Company include corporations.
- (n) "Electronic Mode" means any communication by way of electronic media like tele-conferencing, video conferencing and any other electronic media.
- (o) "Member" means a member as defined under the Act and the duly registered holder of the shares of the Company from time to time.
- (p) "The Managing Director" means the managing director for the time being of the Company.
- (q) "The Whole-Time Director" means the Whole time director for the time being of the Company.
- (r) "Independent Director" means a Director as defined under section 149(6) of the Companies Act, 2013.
- (s) "Depository" means a depository as defined in section 2(1)(e) of the Depositories Act, 1996.
- (t) "SEBI" means the Securities and Exchange Board of India.
- (u) "Security" means such security as may be defined by SEBI from time to time.
- (v) "Beneficial Owner" means a person whose name is recorded as such with a Depository.
- (w) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.
- (x) "The Registrar" means the Registrar of Companies having jurisdiction over the area in which the registered office of the Company is for the time being situated.
- (y) The Key Managerial Personnel (KMP) shall the same meaning as assigned to it under section 203 of the Act.

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

### **Share capital and variation of rights**

II. 1. (A) The Authorized Share Capital of the Company is same as mentioned in Clause V of the Memorandum of Association, provided further that the said Authorised Share Capital shall be capable of being divided into several classes with any preferential, qualified or other rights, privileges, conditions or restrictions attached thereto whether in regard to dividend, voting, return of capital or otherwise.

(B) Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

(C) Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.

(D) The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:

(a) Equity Share Capital:

(i) With voting rights; and/or

(ii) With differential rights as to dividend, voting or otherwise in accordance with the Rules; and

(b) Preference Share Capital

2. (i) Every person whose name is entered as a Member in the register of Members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(a) One certificate for all his shares without payment of any charges; or

(b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

(iv) A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the Company.

(iii) The Board, may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering the same on such terms as it may think fit.

4. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. On receipt of a request from shareholder, the Board of Directors may authorize for sub-division/ consolidation of share certificates.



6. (i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

7. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

8. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking paripassu therewith.

9. (i) Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.

(ii) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to-

(a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or

(b) Employees under any scheme of employees' stock option; or

(c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

(iii) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

#### SWEAT EQUITY SHARES

9A (i) Subject to the provisions of the Act and other applicable provisions, if any, the Company may with the approval of the shareholders by resolution as prescribed under the Act in general meeting issue sweat equity shares in accordance with such rules and guidelines issued by the Securities and Exchange Board of India and /or other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf.

(ii) The rights, limitations, restrictions and provisions as are for the time being applicable to equity shares shall be applicable to the sweat equity shares issued under this section and the holders of such shares shall rank pari-passu with other equity shareholders.

#### ISSUE OF DEBENTURES

9B. Any debentures, debenture-stock or other securities may be issued subject to the provisions of the Act and these Articles, at a discount, premium or otherwise or may be issued on the condition that they shall be convertible into shares of any

denomination or with any special privileges or conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of directors and otherwise.

#### Lien

10. (i) The company shall have a first and paramount lien --
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
- (iii) The fully paid shares shall be free from all lien, and that in partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares

11. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien: Provided that no sale shall be made—

- (a) Unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

12. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

13. (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

(iii) In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

(iv) The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

#### Calls on shares

14. (i) The Board may, from time to time, make calls upon the Members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each Member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

(iv) Any amount of paid up in advance of calls on shares may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.

(v) The option or right to call on shares shall not be given to any person except with the sanction of the Issuer in general meetings.

15. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

16. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

17. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

18. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

19. The Board—

(a) may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the Member paying the sum in advance.

(c) Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

(d) The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.

#### Transfer of shares

20. (i) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of Members in respect thereof.

- (iii) A common form of transfer shall be used
  - (iv) The registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Issuer on any account whatsoever
21. The Board may, subject to the right of appeal conferred by section 58 decline to register—
- (a) The transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - (b) Any transfer of shares on which the Company has a lien.
22. The Board may decline to recognise any instrument of transfer unless—
- (a) The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) The instrument of transfer is in respect of only one class of shares.
23. (i) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty- five days in the aggregate in any year.

(ii) The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

#### Transmission of shares

24. (i) On the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

25. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent Member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the share before his death or insolvency.

26. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

27. (i) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by Membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

(ii) The provisions of these Regulations relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.

#### DEMATERIALIZATION OF SHARES

27A. (i) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form, pursuant to the Depositories Act, 1996 and any statutory enactments and modifications thereof.

(ii) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository in respect of any security, in the manner provided by the Depositories Act, and the Company shall in the manner and within the time prescribed, issue to the Beneficial Owner the required certificates of securities.

(iii) Where a person opts to hold a security with a Depository, the Company shall intimate the Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.

(iv) All securities held by a Depository shall be dematerialized and shall be in a fungible form. Nothing contained in Section 89 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

(v) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(vi) Save as otherwise provided in (a) above, the Depository as a registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(vii) Every person holding shares of any class in the capital of the Company and whose name is entered as beneficial owner in the records of a Depository shall be deemed to be a member of the Company. The beneficial owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

(viii) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

(ix) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

(x) The register and index of beneficial owners maintained by a Depository under the Depositories Act, shall be deemed to be the register and index of members and security holders for the purposes of these Articles.

(xi) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(xii) Every holder of securities of the Company shall be entitled to nominate in the prescribed manner, a person to whom his securities shall vest in the event of his death, in accordance with the provisions of the Act.

#### Forfeiture of shares

28. If a Member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

29. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29A. (i) Neither the receipt by the Company of a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.

(ii) When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

(iii) The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.

(iv) A forfeited share shall be deemed to be the property of the Company.

30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

31. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

32. (i) A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.

(ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

(iii) All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.

33. (i) A duly verified declaration in writing that the declarant is a Director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33A.(i) Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.

(ii) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

34. (i) The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

(ii) The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

#### Alteration of capital

35. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

36. Subject to the provisions of section 61, the Company may, by ordinary resolution,—

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “Shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

38. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.
- (d) Any other reserve in the nature of share capital.

#### Joint Holders

38A (i) Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles.

(ii) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.

(iii) the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

(iv) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.

(v) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.

(vi) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.

(vii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.

(viii) The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.

#### Capitalisation of profits

39. (i) The Company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.



(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such Members respectively;

(B) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

40. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(A) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(B) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such Members.

#### Buy-back of shares

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

#### General meetings

42.(i) All general meetings other than annual general meeting shall be called extraordinary general meeting.

(ii) Notice of the General Meeting shall be in accordance with the provisions of the Companies Act, 2013 read with rules prescribed under the Act.

43. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any Director or any two Members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### Proceedings at general meetings

44. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

45. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46A. (i) On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.

(ii) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Act/Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.

(iii) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting –

(a) is, or could reasonably be regarded, as defamatory of any person; or

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interests of the Company.

(iv) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.

(v) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

(vi) The books containing the minutes of the proceedings of any general meeting of the Company or of a resolution passed by postal ballot, shall:

(a) be kept at the registered office of the Company; and

(b) be open to inspection by any member without charge, during 11:00 a.m. to 1:00 p.m. on all working days other than Saturdays.

(vii) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above.

Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

(viii) The Board and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members of the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### Adjournment of meeting

48. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### Voting rights

49. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every Member present in person shall have one vote; and

(b) on a poll, the voting rights of Members shall be in proportion to his share in the paid-up equity share capital of the Company.

50. Provisions of Section 108 shall not be applicable to the Company.

51. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of Members.

52. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

53. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

54. No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

55. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### Proxy

56.(i) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

(ii) Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

57. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

58. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### Board of Directors

59. (i) The number of the Directors and the names of the first Directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

(ii) The minimum number of Directors shall be two and maximum number of Directors shall be fifteen Provided that the company may appoint more than fifteen Directors after passing a special resolution in the General Body.

(iii) The first Directors of the Company shall be:

- i. Mahesh Makhija
- ii. Rani Makhija
- iii. Diti Makhija

60. (i) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company;or

(b) in connection with the business of the company.

61. The Board may pay all expenses incurred in getting up and registering the company.

62. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

63. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

64. .Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

65.(i)Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a Director at that meeting subject to the provisions of the Act.

(iii) The Board of Directors may appoint any alternate director in accordance with section 161 of the Act.

64A(i)The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

(ii) The directors may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board:

Provided that the amount of such fee shall not exceed the amount as may be prescribed by the Act or Central Government from time to time.

(iii) The directors shall not be required to hold any qualification shares in the Company.

(iv) the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.

(v) Whenever the Company/Board enter into a contract with any Government, Central, State or Local, any bank or financial institution or any person or persons (hereinafter referred to as “the appointer”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever, the directors shall have, subject to the provisions of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more persons, who are acceptable to the Board, as directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such director or directors may not be liable to retire by rotation and nor be required to hold any qualification Shares. The directors may also agree that any such director or directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in vacancy, which may occur as a result of any such director or directors ceasing to hold that office for any reason whatsoever. The directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the directors of the Company including payment of remuneration and travelling expenses to such director or directors as may be agreed by the Company with the appointer.

#### Powers Of The Board

65B. (i) The Board of Directors shall exercise the following powers on behalf of the Company and it shall do so only by means of resolution passed by the Board at its meetings, subject to the modifications/changes if any, made under the provisions of the Act and the rules made there under:

- (a) to make calls on shareholders in respect of money unpaid on their shares;
- (b) to authorize buy-back of securities under the Act;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow moneys;
- (e) to invest the funds of the Company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statement and the Board’s Report;
- (h) to diversify the business of the Company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) to make political contributions;
- (l) to appoint or remove key managerial personnel (KMP);
- (m) to take note of appointment(s) or removal(s) of one level below the KMP; (n) to appoint internal auditors and secretarial auditor;
- (o) to take note of the disclosure of director’s interest and shareholding;
- (p) to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital or free reserves of the investee company;
- (q) to invite or accept or renew public deposits and related matters;
- (r) to review or change the terms and conditions of public deposits;
- (s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be; and
- (t) any other matter which may be prescribed from time to time.

Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in (d), (e) and (f) or such other powers as may be permitted from time to time on such conditions as the Board may prescribe, subject to the Act.

(ii) The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the Memorandum of Association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

#### Rotation Of Directors

66. All the Directors on the Board shall be liable to retire by rotation in accordance with the provisions of the Act. At every Annual General Meeting of the Company, one third of such of the Directors shall retire by rotation or if their number is not three or a multiple of three, the number nearest to one third shall retire from office.

#### Proceedings of the Board

67. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A Director may, and the manager or secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.

68. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

69. The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

70. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be Chairperson of the meeting.

71. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such Member or Members of its body as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

(iii) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

73A.No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the resolution has been circulated in draft, by the Company Secretary of the Company, if any, or by any person or persons nominated by the Chairman/Managing Director/Manager, together with the necessary papers, if any, to all the directors or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the

Board or Committee, as the case may be), and to all other directors or members of the Committee at their usual address in India and has been approved by such of the directors or members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

74. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A Director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.

75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, Company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, Company secretary or chief financial officer.

Managing Director

75A. (i) Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint, from time to time, any of its Board member as a Managing Director or Joint Managing Director, Whole Time Director, Manager of the Company, either for a fixed term, or without any limitation as to the period for which he or they is or are to hold such office but in any case not exceeding 5 (Five) years at a time and upon such terms and conditions as the Board thinks fit, and subject to the provisions of these Articles, the Board may, by resolution, vest in such Managing Director or Joint Managing Director, Whole Time Director, Manager or Chief Executive Officer of the Company such of the

powers hereby vested in the Board generally, as it thinks fit, and such powers may be made exercisable for such period or periods; and upon such conditions and subject to such restrictions, as it may determine. The remuneration of a Managing Director, Joint Managing Director Whole Time Director, Manager or Chief Executive Officer may be by way of salary and/or allowances, commission or participation in profits or perquisites of any kind, nature or description, or by any or all of these modes, or by any other mode(s) not expressly prohibited by the Act or the Rules made thereunder, or any notification or circular issued under the Act. No person shall be appointed as Managing Director and a Manager at the same time.

(ii) The Board of Directors may from time to time entrust to and upon a Managing Director or Joint Managing Director for the time being such of the powers exercisable under these Articles by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers, unless and until otherwise determined that a Managing Director may exercise all the powers exercisable by the Directors, save such powers as by the Act or by these Articles shall be exercisable by the Directors themselves.

Registers

75B(I) The statutory registers (as prescribed under the Act and the Rules, which are required to be open for inspection) and copies of annual return shall be open for inspection during 11:00 a.m. to 1:00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

(ii) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.

(iii) The foreign register shall be open for inspection and may be closed, and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

#### The Seal

76. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two Directors and of the secretary or such other person as the Board may appoint for the purpose; and those two Directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

#### Dividends and Reserve

77. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.

79. (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is

paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

81. The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

(iii) No unclaimed or unpaid dividend shall be forfeited by the Board unless it becomes barred by the law.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.



84. (i) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

(ii) The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

(iii) No unclaimed or unpaid dividend shall be forfeited by the Board unless it becomes barred by the law.

85. No dividend shall bear interest against the Company.

#### Accounts

86. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of Members not being Directors.

(ii) No Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

#### Notice And Service Of Documents

86A. (i) (a) It shall be imperative on every member to notify to the Company for registration of his place of address in India and if he has no registered address within India to supply to the Company an address within India for giving of notices to him.

(b) A member may notify his email address if any, to which the notices and other documents of the company shall be served on him by electronic mode.

(c) The Company's obligation shall be satisfied when it transmits the email and the company shall not be responsible for failure in transmission beyond its control.

(ii) Subject to Section 20 of the Act, a document may be served by the Company on any member thereof by sending it to him by post or by registered post or by speed post or by courier or by delivering at his address (within India) supplied by him to the company for the service of notices to him or by such electronic or other mode as may be

specified in the Act and the relevant Rules. The term courier means person or agency who or which delivers the document and provides proof of its delivery.

(iii) Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by any and every notice and other document in respect of such share which previous to his name and address being entered upon the register shall have been duly given to the person from whom he derives his title to such share.

(iv) Any notice required to be given by the Company to the members or any of them and not expressly provided for by these presents shall be sufficiently given, if given by advertisement, once in English and once in a vernacular daily newspaper circulating in the city, town or village in which the registered office of the Company is situate.

Provided, however, that such notice shall not be in contravention with any provisions of the Act or rules thereunder.

(v) Any notice or document served in the manner hereinbefore provided shall notwithstanding such member be then dead and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any share, whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint-holder thereof and such service, for all purposes of these presents be deemed a sufficient service of such notice or documents on his heirs, executors, administrators and all person (if any) jointly interested with him in any such shares.

(vi) Any notice given by the Company shall be signed (digitally or electronically) by a Director or by the Secretary or some other officer appointed by the Directors and the signature thereto may be written, facsimile, printed, lithographed, Photostat.

(vi) A document may be served on the Company or on an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post or by Registered Post or by leaving it at its Registered Office, or by means of such electronic mode or other mode as may be specified in the Act and the relevant Rules.

#### Borrowing Powers

87. (i) Subject to section 73, 179 & 180 and Regulations made there under and directions issued by the RBI the directors may, from time to time, raise or borrow any sums of money for and on behalf of the Company including unsecured loans. The Directors may secure the repayment of such money in such manner and upon such terms and conditions in all respects as they think fit by issue of debenture and debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

(ii) The Board shall cause a proper Register to be kept in accordance with the provisions of the Act, of all mortgages, Debentures and charges specifically Register of mortgage etc., to affecting the property of the Company including all floating charges on current assets of the Company and fixed charges on the undertaking or any property of the Company, and shall cause the requirements of the Act in that behalf to be duly complied with so far as they fall to be complied with by the Board.

#### Board To Appoint Attorneys

88. The Board of Directors may at any time and from time to time by Power of Attorney, appoint any person or persons to be the Attorney or Attorneys of the company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these presents) and for such periods and subject to such conditions as the directors may from time to time think fit and any such appointment (if the directors think fit) be made in favour of any company or the members, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the directors and any such power of attorney may contain any such powers for the protection or convenience of persons dealing with such attorneys as the directors may think fit, and may contain powers enabling such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

#### Secrecy

89.(i) Every Director, Manager, Auditor, Trustee, Member of a committee, Officer, Servant and Accountant or other persons employed in the business of the Company shall before entering upon his duty sign a declaration, pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of

accounts with the individual and in matter relating thereto and shall by such declaration pledge himself not to release any of the matters may come to his knowledge in the course of his duties except when required so to do by the Directors or by any meeting or a court of law or by the persons to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained or by the Act or any other law.

(ii) No shareholder or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the premises or information respecting any detail of the trading of the Company or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter, whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to communicate.

#### Winding up

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

#### Indemnity

91. (i) Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

(ii) Subject to the provisions of the Act, every director, Managing Director, Manager, Company Secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, Managing Director, Manager, Company Secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, Managing Director, Manager, Company Secretary or officer or in any way in the discharge of his duties in such capacity including expenses.

#### General Authority

92. Wherever in the Companies Act, 2013, it has been provided that any company shall have any right, privilege or authority or that any company cannot carry out any transaction unless it is so authorised by its Articles, then and in that case this Article hereby authorizes and empowers this Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Companies Act, 2013, without there being any other specific Article in that behalf herein provided.

**SECTION X – OTHER INFORMATION**  
**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at A1 A2/B1 B2, Navkala Bharti Building, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055, Maharashtra, India, from 10.00 a.m. to 5.00 p.m. on working days from the date of the Prospectus until the Issue Closing Date.

**Material Contracts**

1. Memorandum of Understanding dated June 24, 2022 between our Company and the Lead Manager.
2. Agreement between Bigshare Services Private Limited and our Company dated June 24, 2022 appointing them as the Registrar to the Issue.
3. Underwriting Agreement dated June 24, 2022 between our Company and Underwriter.
4. Market Making Agreement dated June 24, 2022 between our Company, Lead Manager and Market Maker.
5. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated November 24, 2020.
6. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated January 8, 2021.
7. Banker to the Issue and Sponsor Bank Agreement dated September 1, 2022 between our Company, the Lead Manager, Banker to the Issue and Registrar to the Issue.

**Material Documents**

1. Certificate of Incorporation of our Company in the name of “*QMS Medical Allied Services Private Limited*” dated September 14, 2017 issued by the Registrar of Companies, Mumbai.
2. Fresh Certificate of Incorporation consequent upon conversion in the name of ‘*QMS Medical Allied Services Limited*’ dated November 6, 2020 issued by the Registrar of Companies, Mumbai.
3. Certified true copy of the Memorandum and Articles of Association of our Company, as amended.
4. Certified true copy of the resolution passed at the meeting of the Board of Directors dated April 26, 2022 authorizing the Issue.
5. Certified true copy of the special resolution of the Shareholders passed at the Extraordinary General Meeting dated May 12, 2022 authorizing the Issue.
6. Statement of Tax Benefits dated June 13, 2022 issued by our Statutory Auditor, M/s. P.V. Dalal & Co., Chartered Accountants.
7. Report of our Statutory Auditor, M/s. P.V. Dalal & Co., Chartered Accountants dated August 26, 2022, on the Restated Financial Statements included in this Prospectus.
8. Copies of audited financial statements of our Company for Fiscal 2020, 2021 and 2022.
9. Deployment Certificate from our Statutory Auditor, M/s. P. V. Dalal & Co., Chartered Accountants dated September 14, 2022.
10. Certified true copy of the resolution dated November 25, 2020 passed at the AGM, appointing Mahesh Makhija as the Chairman and Managing Director of our Company.

11. Consents of Directors, Chief Financial Officer, Company Secretary and Compliance Officer, Statutory Auditor, Legal Advisor to the Issue, Banker to the Company, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue, to act in their respective capacities.
12. Due Diligence Certificate dated September 15, 2022 from the Lead Manager to SEBI.
13. Copy of in-principle approval from NSE *vide* letter dated July 25, 2022 to use the name of NSE in this document for listing of Equity Shares on Emerge Platform of NSE.

Any of the contracts or documents mentioned in the Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We, hereby declare that all the relevant provisions of the Companies Act, 2013 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 Prospectus is contrary to the provisions of the Companies Act, 2013 the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements are true and correct.

**Signed by all the Directors of QMS Medical Allied Services Limited**

<b>Name and designation</b>	<b>Signature</b>
<b>Mahesh Makhija</b> <i>Chairman &amp; Managing Director</i>	
<b>Guddi Makhija</b> <i>Non-executive Director</i>	
<b>Prajwal J. Poojari</b> <i>Independent Director</i>	
<b>Niken R. Shah</b> <i>Independent Director</i>	

**Signed by the – Chief Financial Officer**

**Sejal Mhatre**

Place: Mumbai

Date: **September 15, 2022**

## **DECLARATION**

The undersigned Selling Shareholder hereby confirms that all statements and undertakings specifically made or confirmed by it in this Prospectus in relation to itself, as Selling Shareholder and its respective portion of the Offered Shares, are true and correct. The undersigned assumes no responsibility, for any other statements, disclosures and undertakings, including any and all statements made or confirmed by, about or relating to, the Company, its business, or any other person(s) in this Prospectus.

**Mahesh Makhija**

**Place: Mumbai**

**Date: September 15, 2022**