



VAIDYA SANE AYURVED LABORATORIES LIMITED

Corporate Identification Number: U73100PN1999PLC013509

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Pune dated April 6, 1999 with the name 'Vaidya Sane Ayurved Laboratories Private Limited'. Subsequently, our Company was converted into to a public limited company and the name of our Company was changed to 'Vaidya Sane Ayurved Laboratories Limited' by a special resolution passed on November 19, 2021. A fresh Certificate of Incorporation consequent upon conversion was issued on November 25, 2021 by the Registrar of Companies, Pune. For further details of our Company, see "General Information" and "History and Certain Other Corporate Matters" on pages 41 and 93, respectively.

Registered Office: Fl. 5, 1047, Shriram Bhawan, Shukrawar Peth, Pune – 411002, Maharashtra, India;

Office Address where books of account and papers are maintained: 201 B, Bhoomi Velocity, Road No. 23, Above ICICI Bank, Wagle Estate, Thane (West), Thane – 400604, Maharashtra, India;

Tel: +91 7738070019; **Website:** www.madhavbaug.org; **E-mail:** cs@madhavbaug.com

Contact Person: Abhishek Ajay Deshpande, Company Secretary and Compliance Officer

PROMOTERS: DR. ROHIT MADHAV SANE

PUBLIC ISSUE OF 27,71,200 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH OF VAIDYA SANE AYURVED LABORATORIES LIMITED ("OUR COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF ₹73.00 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹63.00 PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO ₹2,022.98 LAKHS ("THE ISSUE"). OF THE ISSUE, 1,40,800 EQUITY SHARES AGGREGATING TO ₹102.78 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 26,30,400 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT AN ISSUE PRICE OF ₹73.00 PER EQUITY SHARE AGGREGATING TO ₹1920.19 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.36% AND 25.02%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE 179 OF THE PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10.00 EACH AND THE ISSUE PRICE OF ₹73.00 IS 7.30 TIMES OF THE FACE VALUE

THIS ISSUE 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 ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253 OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, SEE "ISSUE PROCEDURE" ON PAGE 187 OF THE PROSPECTUS.

All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details of the irrelative 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 "Issue Procedure" on page 187. 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 ISSUE

This being the first issue 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 Issue 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 Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. **Specific attention of the investors is invited to 'Risk Factors' on page 19.**

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 Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares 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 December 30, 2021 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 Issue, the Designated Stock Exchange will be NSE.

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



FIRST OVERSEAS CAPITAL LIMITED

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Investor Grievance Email: investorcomplaints@focl.in

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Contact Person: Satish Sheth / Mala Soneji



BIGSHARE SERVICES PRIVATE LIMITED

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Investor Grievance Email: investor@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Ashish Bhope

SEBI Registration No.: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON:

THURSDAY, FEBRUARY 10, 2022

ISSUE CLOSES ON:

TUESDAY, FEBRUARY 15, 2022

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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 ‘Issue Procedure’, defined terms, will have the meaning ascribed to such terms in these respective sections.

Company Related Terms

Term	Description
“Vaidya Sane Ayurved Laboratories Limited”, “VSAL”, “We” or “us” or “our Company” or “the Issuer”	Unless the context otherwise requires, refers to Vaidya Sane Ayurved Laboratories Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at Fl. 5, 1047, Shriram Bhawan, Shukrawar Peth, Pune – 411002, Maharashtra, India.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, our Company.
“you”, “your” or “yours”	Prospective investors in this Issue
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 Abhishek Ajay Deshpande, 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 110.
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 97.
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(zb) of the SEBI (ICDR) Regulations.
Promoters	Dr. Rohit Madhav Sane
Registered Office	The registered office of our Company situated at Fl. 5, 1047, Shriram Bhawan, Shukrawar Peth, Pune – 411002, Maharashtra, India.
Restated Summary Statements	Audited restated summary statements of assets and liabilities as at September 30, 2021; March 31, 2021, 2020 and 2019 and audited restated summary statements of profits and losses

	and cash flows for the 6 months period ended September 30, 2021 and financial years ended March 31, 2021, 2020 and 2019 of the Company.
Statutory Auditor and Peer Reviewed Auditor	The Statutory Auditor of our Company, being M/s. A. A. Mohare & Co., Chartered Accountants.

Issue 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 Issue 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 Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue 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 RIIs using the UPI mechanism
ASBA Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Application Amount in relation to an Application by an Applicant.
ASBA Applicant(s)	Any prospective investors in this Issue who applies for Equity Shares of our Company through the ASBA process in terms of the Prospectus.
Bankers to the Issue/ Public Issue Bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being Axis Bank Limited.
Banker to the Issue Agreement	Agreement to be entered into amongst the Company, LM, the Registrar, Sponsor Bank, and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in “Issue Procedure” on page 187.
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 www.nseindia.com .
Broker to the Issue	All recognized members of the stock exchange would be eligible to act as the Broker to the Issue.
NSE SME	The Emerge platform of National Stock Exchange of India Limited, 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.
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 Issue and the Stock Exchange and a list of which is available at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.

Term	Description
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 (www.nseindia.com).
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts to the Public Issue 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 issue 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, BHH Securities Private 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 (www.nseindia.com).
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 https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited.
Draft Prospectus / DP	The Draft Prospectus dated December 8, 2021, filed with NSE.
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 Issue 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 Issue 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.
Issue / Public issue / Issue size / Initial Public issue / Initial Public Offer / Initial Public Offering / IPO	Public issue of 27,71,200 Equity Shares of face value of ₹10.00 each of our Company for cash at a price of ₹73 per Equity Share (including a share premium of ₹63 per Equity Share) aggregating to ₹2,022.98 lakhs by our Company, in terms of this Prospectus.
Issue Agreement / MoU	The agreement dated December 3, 2021 entered into amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which the Issue closes for subscription. In this case being February 15, 2022
Issue Opening Date	The date on which the Issue opens for subscription. In this case being February 10, 2022
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which prospective Applicants can submit their Applications, including any revisions thereof.
Issue Price	The price at which Equity Shares are being issued by our Company being ₹73 per Equity Share.

Term	Description
Lead Manager / LM	The lead manager to the Issue, 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 Emerge Platform of NSE.
Market Maker Reservation Portion	1,40,800 Equity Shares of ₹10.00 each at ₹73 per Equity Share aggregating to ₹102.78 lakhs reserved for subscription by the Market Maker.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 26,30,400 Equity Shares of face value of ₹10.00 each at an Issue Price of ₹73 per equity share aggregating to ₹1,920.19 lakhs.
Net Proceeds	Proceeds of the Issue that will be available to our Company, which shall be the gross proceeds of the Issue less the issue 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 Issue 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 Issue Account	The account to be opened with the Banker to the Issue 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 Issue 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 Issue and the Issuer Company dated December 3, 2021, 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 Issue	The Registrar to the Issue 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 Issue 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.
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
Underwriting Agreement	The agreement dated December 3, 2021 entered into among the Underwriter and our Company.
UPI	Unified payments interface, which is an instant payment mechanism, developed by NPCI
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 issue 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 RIB 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 RIB 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

Term	Description
UPI mechanism	The mechanism using UPI that may be used by RII to make an application in the issue 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) Issue 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 Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Technical and Industry Related Terms

Term	Description
ASSOCHAM	The Associated Chambers of Commerce of India
AYUSH	Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy
BCG	Boston Consulting Group
COVID-19	Coronavirus Disease 2019
CT	Computerized Tomography
CVD	Cardiovascular disease
DCGI	Drugs Controller General of India
DRDO	Defense Research and Development Organization
ECG	Electrocardiography
GDP	Gross Domestic Product
GVA	Gross Value Added
Hb1c	Glycated hemoglobin
IBEF	Indian Brand Equity Foundation
INMAS	The Institute of Nuclear Medicine and Allied Sciences
M&A	Mergers and Acquisitions
MIB	Madhavbaug Information Backbone
MUDRA	Micro Units Development and Refinance Agency
NASSCOM	The National Association of Software and Service Companies
NCBI	National Centre for Biotechnology Information
NCDs	Non Communicable Diseases
OPD	Outpatient Department
PE	Private Equity
PHCs	Primary Healthcare Centres
UNICEF	United Nations Children's Fund
WHO	World Health Organisation

Conventional and General Terms and Abbreviations

Term	Description
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

Term	Description
Banking Regulation Act	Banking Regulation Act, 1949
Bn	Billion
Breeding Rules	Breeding of and Experiments on Animals (Control and Supervision) Rules, 1998
BSE	National Stock Exchange of India 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
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

Term	Description
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
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

Term	Description
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. OCBs are not allowed to invest in this Issue.
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, Pune
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) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Act	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

Term	Description
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”, “Vaidya Sane Ayurved Laboratories Limited” and “VSAL”, unless the context otherwise indicates or implies, refers to Vaidya Sane Ayurved Laboratories 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 6 month period ended September 30, 2021 and financial years ended March 31, 2021, 2020 and 2019, 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 116. 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 19, 76 and 151 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 a unique medical service institution that strives to treat chronic ailments like cardiac disease, diabetes, hypertension and obesity with the distinctive outlook of amalgamating technology with traditional healing of Ayurveda. Our approach to treatment using non-invasive, multidisciplinary and innovative therapies which has helped establish us as a dependable option for treating the chronic ailments.

We are a health care provider primarily in the India's chronic care ecosystem. We provide our healthcare services through Madhavbaug clinics. As on November 30, 2021, we operate 274 clinics across Maharashtra, Madhya Pradesh, Gujarat, Uttar Pradesh, Goa and Karnataka. Out of these 52 are company owned and 222 are franchise clinics.

We also operate two cardiac prevention and rehabilitation hospitals in Khopoli and Nagpur respectively.

We launched research based disease specific diet kits in the year 2016 for aiding our healthcare programmes. These kits aid in the recovery and rehabilitation of our patients.

We have also launched online portal “www.madhavbaugwellness.com” for new wellness products such as Madhav Shakti Atta, apple cider vinegar, prosix dosa mix, nutriboom ghavan mix, digy smooth moong daliya, lentigrain idli mix, Insta health thalli peeth, power mix muthiya aata, diaprak kadha, arj kadha, groundnut oil, amla lichi syrup, etc. and many more.

Summary of Industry:

INDIAN HEALTHCARE INDUSTRY

Healthcare has become one of India's largest sector, 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.

Indian 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.

INDIA EMERGING AS A GLOBAL WELLNESS AND AYURVEDA HUB

<https://www.ibef.org/blogs/india-emerging-as-a-global-wellness-and-ayurveda-hub>

The Indian wellness industry—estimated at Rs. 49,000 crore (US\$ 6.70 billion)—is gaining momentum on the back of government focus on building a healthy and fit India. Ayurveda is an alternative medicine system with historical roots in India. The Indian wellness and ayurveda industries go hand in hand. Ayurveda is globally acclaimed for its preventive healthcare properties and treatment of many chronic lifestyle disorders. The Indian ayurveda industry has several large players, with the micro, small and medium enterprises (MSMEs) capturing 80% market share. Ayurveda is witnessing a resurgence in India because people have accepted this as a way of life as opposed to the earlier notion of ayurveda as an alternative area of medicine.

AYUSH

The government set up the Ministry of AYUSH (Ayurveda, Yoga, Unani, Siddha and Homoeopathy) in November 2014 to promote the country's indigenous alternative medicines including education and research. The objectives of AYUSH include the following:

- Upgrading educational standards of the Indian Systems of Medicines & Homoeopathy colleges

- Strengthening existing research institutions and facilitating time-bound research programmes
- Outlining schemes for promotion, cultivation and regeneration of medicinal plants
- Evolving Pharmacopoeial standards for the Indian Systems of Medicine & Homoeopathy drugs

A budget of ~Rs. 3,400 crore (US\$ 464.68 million) is set aside for the next five years—towards Ayush Wellness Centres under the National Ayush Mission. The centre has contributed towards the wellness sector by revamping the existing 1.5 lakh health centres across the country.

Travel & Hospitality — Enablers of the Wellness and Ayurveda Sector

Travel firms reveal that travellers are now increasingly looking at destinations offering wellness experiences—Goa, Kerala, Meghalaya, Karnataka, etc. Most travel firms now offer wellness packages to their customers.

Mr. Rajeev Kale, President and Country Head – Holidays, MICE, Visa and Thomas Cook India, revealed that the travel firm has launched ‘wellness breaks’ comprising a range of programmes such as meditation, yoga sessions, spa sessions, dietician consultation and nature walks, with a starting price of Rs. 6,500 (US\$ 88.84). “These holidays are being well received by a wide range of consumer segments including millennials, young working professionals and couples,” said Mr. Rajeev.

Many hotels have tie ups with ayurveda and wellness centres where guests can reside at hotels and avail wellness & ayurveda facilities in the hotel premises. Indian Hotels Company Limited (IHCL), which runs the Taj Group of Hotels, revealed that its guests are opting for wellness programmes to relieve themselves from stress, leading to an average 50% increase in demand for spa treatments every month. Mr. Anil Chadha, Chief Operating Officer, ITC Hotels, highlighted that spa is emerging as one of the favourite spaces during the pandemic. The group introduced Taj Wellness in-house retreats in September 2020 across select hotels in partnership with spa brand Jiva Ayurveda.

WHO’s Launch of Ayurveda Research Institutions

In November 2020, the World Health Organisation (WHO) selected India to set up a traditional medicine centre to strengthen research, training and awareness of ayurveda. After the announcement, Prime Minister Mr. Narendra Modi inaugurated two ayurveda institutions—The Institute of Teaching and Research in Ayurveda (ITRA), Jamnagar (Gujarat), and the National Institute of Ayurveda (NIA), Jaipur (Rajasthan). Mr. Modi also emphasised on the need to come up with a new international standard curriculum in ayurveda.

WHO Director General, Mr. Tedros Adhanom Ghebreyesus, stated that the new centres will support WHO's traditional medicine strategy 2014-2023, which aims to support countries in developing policies and action plans to strengthen the role of ayurveda.

The AYUSH ministry revealed that the Jamnagar institute was conferred the status of an Institution of National Importance (INI) by a parliamentary act and another college in Jaipur was designated an ‘Institution Deemed to be University (De novo Category)’ by the University Grants Commission (UGC).

B. Promoters:

Dr. Rohit Madhav Sane is the Promoter of our Company.

C. Issue Size:

This is a fresh issue of Equity Shares. Public issue of 27,71,200 Equity Shares of face value of ₹10.00 each of our Company for cash at a price of ₹73 per Equity Share (including a share premium of ₹63 per Equity Share) aggregating to ₹2,022.98 lakhs by our Company.

D. Objects of the Issue:

Sr. No.	Object	Amount Proposed to be Utilised from the Issue Proceeds (₹ in lakhs)
1.	Expenses on Marketing and Branding	1,600.00
2.	General Corporate Purposes	372.98
3.	Issue Related Expenses	50.00
	Total	2,022.98

E. Pre-Issue Shareholding of Promoters, Promoter Group:

Sr.	Particulars	Pre-Issue	
		No. of Shares	% Holding
a)	Promoters		
	Rohit Madhav Sane	69,69,300	90.02%
	Sub-Total	69,69,300	90.02%
b)	Promoter Group		
	Rekha J. Paralkar	5,000	0.06%
	Sub-Total	5,000	0.06%
	Total	69,74,300	90.08%

F. Summary of Financial Information:

Particulars	(₹ in Lakhs)			
	30.09.21	31.03.21	31.03.20	31.03.19
Share Capital	697.50	4.50	4.50	4.50
Net Worth	1,112.17	976.69	821.99	878.00
Revenue	3,156.41	5,227.48	7,523.02	6,249.63
Profit After Tax	135.47	154.70	-55.72	49.59
Basic and Diluted Earnings per Equity Share (Considering bonus in all previous years in the ratio of 154:1) (in ₹)	1.94	2.22	-0.80	0.71
Net Asset Value/Book Value per Equity share (Considering bonus in all previous years in the ratio of 154:1) (in ₹)	15.95	14.00	11.78	12.59
Total Borrowings	178.31	101.63	596.88	866.65

Our Annual Reports and financial statements are also available on our website at: www.madhavbaug.org.

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 160 of the Prospectus.

I. Risk Factors:

Please see 'Risk Factors' beginning on page 19.

J. Summary of Contingent Liabilities of our Company:

We have following contingent liabilities as on September 30, 2021:

Liability Under Act	Financial Year	(Rs. Lakhs)
		30-Sep-21
Maharashtra Value Added Tax	2011-12	15.70
Maharashtra Value Added Tax	2012-13	25.77
Maharashtra Value Added Tax	2013-14	14.22
Maharashtra Value Added Tax	2014-15	30.64
Maharashtra Value Added Tax	2015-16	28.46
Maharashtra Value Added Tax	2016-17	29.55
Central Sales Tax	2015-16	0.02

K. Summary of Related Party Transactions:

For further details please refer “Annexure V- Related Party Transaction” on page 146, under the section titled “Financial Information” beginning on page 116 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 Promoter 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 ₹)
Dr. Rohit Madhav Sane	69,30,001 (69,29,846 Bonus Equity and 155 Equity Shares purchased @Rs. 38)	Nil*

*Cost of acquisition of 69,30,001 Equity Shares is negligible as most of the equity shares allotted are bonus shares with Nil cost of acquisition.

For further details please refer to chapter titled “Capital Structure” on page 48.

N. Average cost of acquisition of shares for promoter:

Name of the Promoter	Average cost of acquisition (in ₹)
Dr. Rohit Madhav Sane	0.04

O. Pre-IPO Placement:

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

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:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration
21-09-21	69,30,000	10	Nil	Bonus Issue in the ratio of 154:1	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 76 and 151 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 116 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 against our company 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:

Nature of case	Number of cases	Amount involved (in ₹lakhs)
Direct Tax	Nil	Nil
Indirect Tax – VAT	6	144.35
Indirect Tax - CST	3	0.39
Indirect Tax – Service Tax	2	204.97
Consumer Complaint	1	0.90
Our Promoter		
Civil Suits (Property Matters)	1	49.00
Civil Suits (Property Matters)	2	Not Ascertainable

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 160 of this Prospectus.

2. 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 163 of this Prospectus, respectively.

3. 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.

4. We have certain contingent liabilities that have not been provided for in our financial statements, which, if they materialize, may adversely affect our results of operations, financial condition and cash flows.

The following table sets forth certain information relating to our contingent liabilities, which have not been provided for, as of September 30, 2021:

		(Rs. Lakhs)
Liability Under Act	Financial Year	30-Sep-21
Maharashtra Value Added Tax	2011-12	15.70
Maharashtra Value Added Tax	2012-13	25.77
Maharashtra Value Added Tax	2013-14	14.22
Maharashtra Value Added Tax	2014-15	30.64
Maharashtra Value Added Tax	2015-16	28.46
Maharashtra Value Added Tax	2016-17	29.55
Central Sales Tax	2015-16	0.02

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. For further details, see “Financial Statements” on page 219.

5. We have issued Equity Shares during the last one year at a price that would be below the Issue Price.

We have allotted certain Equity Shares in the last one year without any or at a consideration lower than the Issue Price. The details of such allotments are provided below:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration
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21-09-2021	69,30,000	10	Nil	Bonus Allotment in the ratio of 154:1 ⁽¹⁾	Nil
09-10-2021	7,67,250	10	38.00	Rights Issue ⁽²⁾	Cash

1. Allotment to Rohit Madhav Sane: 69,29,846 Equity Shares and Shailesh N. Khare: 154 Equity Shares by way of bonus in the ratio of 154:1 i.e. 154 Equity Shares for every 1 Equity Share held by the our equity shareholders.
2. Allotment to Virtuous Capital Limited: 3,58,224 Equity Shares; Vinayak Kudva: 1,30,263 Equity Shares; Santosh Kudva: 1,30,263 Equity Shares; Shripad R. Upasani: 44,550 Equity Shares; Yogesh S. Walawalkar: 44,550 Equity Shares; Gurudatta A. Amin: 44,550 Equity Shares and Darshan S. Shah: 14,850 Equity Shares by way of Rights Issue.

6. Our business and prospects may be adversely affected if we are unable to maintain and grow our brand image.

Our brand and reputation are critical for the success of our business and operations. Our ability to maintain and improve our brand image is dependent on factors such as quality, accuracy and efficiency of our advice and treatments, turnaround time and patient satisfaction, the performance of our service network, the introduction of new tests and services and our ability to maintain strong relationships with therapists and vendors. Further, as we expand into new geographic markets within India, and as the market becomes increasingly competitive, maintaining and enhancing our brand image may become costly and difficult.

7. Globally, technology in the field of medical equipment has been rapidly evolving backed by continuous research. Innovations in technology can render existing medical equipment obsolete.

The quality of services in healthcare and wellness is dependent on the quality of medical equipment that will be used for treating our clients. New and advanced technology is continuously evolving in the field of medical equipment and treatment pattern and can render have the our medical equipment obsolete thereby affecting our competitiveness and consequently our financial position. Although we keep on updating our equipment n newer clinics, innovative technologies that may emerge can render our present or proposed equipment obsolete within short span of time, thereby requiring us to make further investments or alter our business strategies.

8. We do not have firm contractual arrangement with our panel of doctors.

At present, our company has 79 doctors in the clinics owned by us and our two hospitals. The arrangement between our company and our panel of doctors has been entered into by way of appointment letters, whereby the doctors have agreed to provide their services to our centres on a mutually agreed basis. We have not entered into firm contracts with the doctors. Since we have not entered into any firm contractual agreement with our panel of doctors we cannot assure that the services of these doctors would be continuously available to us in future. Also, the success of our plans of expansion of our centres would depend on our ability to have firm arrangements with a number of specialist doctors at various centres, we cannot assure that we would be able to identify or have such firm arrangements with required number of doctors. In the event of our failure to do so, our expansion programme and our business operations at the centres may be adversely affected

9. All our present clinics are located and proposed outlets would be located in places not owned by us but taken on contractual agreement basis. We have taken properties on lease to operate our clinics currently and 222 clinics are on franchisee basis. The non renewal of lease or any deficiency in the title / ownership rights / development rights of the owners may impede the operation of our outlets.

Our clinics and therapy centres are not owned by us. Our proposed outlets are also planned to be located on places not owned by us. We take property on lease which may not be renewed. The non renewal of lease or any deficiency in the title / ownership rights of such third parties may lead to legal implications which can result in us having to vacate the premises or increase our cost of operations thus affecting our profits.

10. Our growth into new geographic areas exposes us to certain risks.

We intend to expand our presence both geographically and in terms of number of clinics. Metros and fast developing smaller towns are currently under-served and give a greater scope for our services. Presently our presence is largely in and around Mumbai. Our proposed business plan seeks to extend our outlets to other parts of India including non-metro cities and towns. Pursuance of such a growth strategy may expose us to risks which may arise due to lack of understanding / economic conditions and culture of these areas. If we are not able to manage the risk of such expansion it could have a material adverse affect on our operations.

11. We may not be able to find ideal locations to open and operate outlets.

We are in the business of healthcare & wellness and operate through highly modernized Centers. Success of our business is highly dependent on optimizing the center / outlet locations at a competitive cost. We cannot assure you that we will be able to expand and grow at the rate at which we may desire to, as we may not be able to find locations that we believe will be necessary for implementing our expansion plans. If we are not able to find the locations at the time and place that we desire, the same may have a material adverse impact on our results of operation.

12. *We face the risk of potential liabilities from lawsuits or claims by customers*

We face the risk of legal proceedings and claims being brought against us by our customers for any unsatisfactory services or any deficiency in our services to them. We could also face liabilities should our customers face any loss or damage due to unforeseen incident such as fire, accident, etc. in our outlets, which could cause financial and other damage to our customers. Any such legal proceedings may adversely affect our business and financial condition.

13. *Most of the Insurance companies do not cover ayurvedic treatment thereby placing us in a disadvantageous position viz a viz allopathy treatment.*

Most of the Insurance companies do not cover ayurvedic treatment thereby placing us in a disadvantageous position viz a viz allopathy treatment. Although our management has been continuously pitching in to Insurance Companies to cover certain of our treatments and therapies under their health insurance claims, there can be no assurance that it may be done at all. Hence we will be in a position of disadvantage vis-à-vis our allopathic counterparts.

14. *The recent outbreak of the novel coronavirus could have a significant effect on our results of operations, and could negatively impact our business, revenues, financial condition, and results of operations.*

An outbreak of COVID-19 was recognised as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India, have taken preventive or protective actions such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. Due to a government mandated lockdown in India. We saw a huge decline in our business during first half of Fiscal 2021. If we do not respond appropriately to the pandemic, or if customers do not perceive our response to be adequate, we could suffer damage to our reputation and our brand, which could adversely affect our business in the future.

We cannot predict the degree to, or the time period over, which our business will be affected by the COVID-19 outbreak. For example, this pandemic could necessitate further lockdowns, resulting in significant additional effects on our revenue, financial condition, and results of operations. There are numerous uncertainties associated with the COVID-19 outbreak, including the number of individuals who will become infected, availability of a vaccine or a cure that mitigates the effect of the virus, the extent of the protective and preventative measures imposed by governments and whether the virus' impact will be seasonal, among others. Consequently, there may be adverse effects of this pandemic on our short-term business operations and our financial results may be impacted.

15. *We may be subject to legal proceedings arising out of patient complaints in relation to our services or certain claims we make on our products such as “Diabetes Reversal Therapy” which could adversely affect our business and reputation.*

We may receive patient complaints arising out of any alleged deficiency, negligence or malpractice in relation to the services that we provide. In the past, we have received such complaints from patients on various grounds, including alleged delays in providing test results and incorrect results or misdiagnoses. For details, see “*Outstanding Litigation and Other Material Developments*” on page 160. In addition, members of our staff and our healthcare personnel may be subject to malpractice claims, and we may be impleaded in such claims as co-defendants. Further, there may be complaints in relation to our services or certain claims we make on our products such as “Diabetes Reversal Therapy”. Such events may generate adverse publicity about our business and reduce customer confidence in the quality of our services. While we have established systems and procedures to help minimize errors that can arise during the collection of specimens and the testing and delivery of reports, any failure in our systems and procedures may lead to the delivery of inaccurate or untimely results exposing us to civil and criminal proceedings.

16. *We are exposed to legal claims and regulatory actions arising from the provision of healthcare services and may be subject to liabilities arising from claims of malpractice and medical negligence including loss of life during treatments, which could materially and adversely affect our reputation and prospects. Further, there might be adverse impact on the patient due to wrong massaging technique by panchakarma therapist.*

Our operations involve treatment of patients with the variety of infectious diseases. People may contract serious communicable diseases during their visit at our facility centre which could result in significant claims for legal damages against us. Hence, we are exposed to the risk of legal claims and regulatory actions arising out of the medical services provided by us. We may be subject to claims alleging, among other things, medical negligence including loss of life during treatments by our healthcare professionals and product liability for medical devices we use, pharmaceuticals we dispense and medical and pharmaceutical products we sell in our pharmacies. Further, there might be adverse impact on the patient due to wrong massaging technique by panchakarma therapist. We could also be the subject of complaints from patients who are dissatisfied with the quality and cost of healthcare services, false positive or false negative checkup results, misdiagnosis, or other acts of medical negligence. They can be attributed to various factors, such as the negligence of medical personnel, failure of medical equipment, inaccurate results of medical tests conducted by outsourced laboratories, individual patient-specific conditions and disease complications. We rely on our healthcare professionals to make proper diagnoses, administer proper treatment. Any such event may materially and adversely affect our reputation and future prospects and also result in financial liabilities and penalties.

17. Our Company and certain doctors and therapists employed/hired at our clinics may be, be involved in certain medical negligence cases.

We are exposed to the risk of alleged malpractice claims and regulatory actions arising out of medical services provided by us, including medical services provided to us. However, we do not have direct control over the clinical activities of our doctors and other healthcare staff, as their diagnoses and treatments of patients are subject to their professional judgement, and in most cases, must be performed on a real-time basis. Any incorrect clinical decisions or actions on the part of our doctors and other healthcare staff or any failure by us to properly manage their clinical activities may result in unsatisfactory treatment outcomes, patient injuries or possible patient death. Current or former patients or their families may threaten or commence litigation for medical negligence or malpractice against us. If such claims succeed, we may become liable for damages and other financial consequences and may even be exposed to criminal or civil liability, which may materially and adversely affect our reputation, financial condition and results of operations. While medical negligence cases are covered under professional indemnity insurance policies, there can be no assurance that such insurance cover would be adequate to cover compensation claims in such cases if these medical negligence cases were to be decided in favor of the claimants.

18. We are highly dependent on our doctors, nurses and other healthcare professionals, as well as other key personnel and the loss of, or inability to attract or retain, such persons could adversely affect our business and results of operations

Our performance and the execution of our growth strategy depend substantially on our ability to attract and retain leading doctors and other healthcare professionals. We compete for these personnel with other healthcare services.

The market for doctors is highly competitive and there is a general shortage of doctors in India. The factors that doctors consider important before deciding where they will work include the level of compensation, the reputation of the hospital and its owner, the quality of the facilities, research opportunities and community relations. We may not compare favorably with other healthcare services on these factors. Many of these healthcare professionals are well-known personalities in their fields and regions with large patient bases and referral networks, and it may be difficult to negotiate favourable terms and arrangements with them. Our performance also depends on our ability to identify, attract and retain other healthcare professionals, including nurses, to support the multi-speciality and super speciality practices at our hospital. In Particular, the worldwide nursing shortage many make it difficult for us to attract and retain nurses who may choose to pursue similar opportunities abroad and may also cause salaries and wages for nurses to rise.

If we are unable to attract or retain doctors or other medical personnel as required, we may not be able to maintain the quality of our services and we could be forced to admit fewer patients to our hospitals. We are also highly dependent on members of our senior management team to manage our current operations and meet future business challenges.

19. Our medical professional staff consists of both employees as well as doctors on a consultancy basis. If such medical staff discontinue their association with us or are unable to provide their services at our hospitals for any reason or if we are unable to attract or retain such consultants/full time doctors, and other healthcare professionals, our business, results of operations and cash flows may be materially and adversely affected.

Some of our doctors do not work exclusively with us and are permitted to engage in private practice outside of our business and to work at other hospitals that may compete with us. We may require to revise the compensation packages for our doctors and paramedical staff, to retain them for their professional services, which we may not be able to do in the event when the financially conditions of our hospital are adversely affected. In such cases, there is no assurance that our medical

staff will continue to provide services to us or devote the whole of their time to our hospitals. We may, as a result, be unable to effectively utilize their time and expertise in providing services to our patients. These arrangements may also give rise to conflicts of interest, including with regard to how these doctors allocate their time and other resources between our hospitals and other clinics or hospitals at which they work and where doctors refer patients. Such conflicts may prevent us from providing a high quality of service at our hospitals and adversely affect the level of our patient intake which may have an impact on our business, results of operations and cash flows.

20. *Our success depends largely upon the services of our Promoters, Managing Directors and other key managerial personnel and our ability to attract and retain them.*

We are dependent on our Promoter, Managing Director and Key Managerial Personnel for setting our strategic direction and managing our businesses. Our Promoter have over past years built relations with suppliers, customers and other persons who are connected with us. Accordingly, our Company's performance is dependent upon the services of our Promoters, our Managing Director, and other key managerial personnel. Our future performance will depend upon the continued services of these persons. Demand for key managerial personnel in the industry is intense and our inability to attract and retain key managerial personnel may affect the operations of our Company.

21. *Our revenue is primarily dependent on number of patients and inpatient treatments, which could decline due to a variety of factors. Any such decline will adversely affect our financial condition and results of operations.*

Our revenue is primarily dependent on number of patients visiting our clinics and also on inpatient admissions and treatment. In the event there is a decline in the number of patients visiting our clinics, our financial condition and results of operations will materially stand impacted. This apart, in markets where we have an established presence, if our patients choose to avail healthcare services from our competitors, instead of availing such healthcare services from us, our growth in revenue could stand materially impaired.

22. *Our business is highly dependent on consumer spending patterns, which is also dependent on the general economic condition of our country.*

Madhavbaug is a unique medical service institution that strives to treat cardiac disease, diabetes, hypertension and obesity with the distinctive outlook of amalgamating technology with traditional healing. We are in the business of wellness and healthcare. The growing middle and upper class of Indian population is our main target business segment. Hence our business is highly dependent on their spending pattern which again depends on the general economic conditions in the country and the surplus available with consumers for spending on matters of wellness and healthcare, specially ayurveda. Any slow-down in the economic activity of our country will adversely affect the consumer surplus available for spending towards wellness and healthcare.

23. *Our business and financial performance could be adversely affected if we are unable to maintain or improve our brand image.*

Madhavbaug is a unique medical service institution that strives to treat cardiac disease, diabetes, hypertension and obesity with the distinctive outlook of amalgamating technology with traditional healing. Our approach to cardiac treatment using non-invasive, multidisciplinary and innovative therapies has helped establish us as a dependable option for treating heart ailments. Our brand name, has significantly contributed to the success of our business. We believe that our success depends on our ability to maintain the Brand name through ace quality and customer service. If we are unable to respond in a timely and appropriate manner to changing consumer demand, our brand name and brand image may be impaired and may result in a significant decrease in net sales or leave us with a substantial amount of unsold inventory. Our services must appeal to a broad range of consumers whose preferences cannot be predicted with certainty and are subject to rapid change. We cannot assure that our brand will be effective in attracting and growing our customer base.

24. *We face competition from other ayurvedic, wellness and healthcare outlets, including independent Doctors and unorganized ayurvedic clinics and treatment centres. Any inability to compete with them could adversely impact our business and financial operations.*

We face competition from other ayurvedic, wellness and healthcare outlets, including independent Doctors and unorganized ayurvedic clinics and treatment centres. The presence of Indian and International players in the marketplace has created tremendous competition in the wellness industry and the dynamics of industry are also changing, consequent to such structural changes. Also we compete from ayurvedic, wellness and healthcare outlets. If we are unable to compete successfully, we would lose our customers, which would negatively impact our sales and financial performance.

25. We are dependent upon few suppliers for the material requirements of our trading business.

Our top 10 suppliers represented 79.28%, of our operating expenses for 6 months period ended September 30, 2021. Any problems faced by our supplier resulting in delays or non-adherence to quality requirements could adversely impact our ability to meet our customer's requirements in time and our operations would be affected to the extent we are unable to line up supplies from alternate suppliers. Although, we have a strong emphasis on quality, timely delivery and personal interaction by the senior management with the suppliers, any change in the preferences of suppliers can adversely affect the business and the profitability of our Company.

26. We rely on the performance of third parties, including third party franchisee clinics, for a portion of our business, and any deficiency in services provided by them could adversely affect our business and reputation.

We rely on the performance of third parties, including third party franchisee clinics and partners, who may be responsible for running facilities, and providing the desired healthcare services. As on November 30, 2021, we operate 274 clinics across Maharashtra, Madhya Pradesh, Gujarat, Uttar Pradesh, Goa, Karnataka, Delhi and Chattisgarh. Out of these 52 are company owned and 222 are franchise clinics. We cannot assure you that there will be no disruptions in the provision of such services or that these third-parties will adhere to their contractual obligations. If there is a disruption in the third-party services, or breach of contractual obligations, or if the third-party service providers discontinue their service agreements with us, our business could be adversely affected and may result in litigation or other costs. Such additional costs, in addition to the cost of entering into agreements with third-parties in the same industry, may adversely affect our business, results of operations and financial condition. If any third party service provider terminates its contractual arrangement with our Company, we cannot assure you that we will be able to replace it with other third party service provider in a timely manner and at acceptable terms, or at all.

We cannot assure you that the performance of such third-party patient service centers will meet our required specifications or performance parameters. Our third-party service providers are contractually obligated to operate their service centers in accordance with the requirements and standards set forth in our contractual arrangements with them, however, third-party patient service centers are independent third parties over which we have limited control and we may be subject to liability in case of their non-compliance with agreed standards. In addition, although we have exclusivity provisions under some of our arrangements with these third-party patient service centers, we may be unable to enforce such provisions and they may provide their services to our competitors. We may also be restricted from directly providing services in certain areas where these third-party patient service centers are located. As a result, our growth, results of operations and the integrity of our brand depends on the performance of these third-party patient service centers. We cannot assure you that the third-party patient service centers will be able to generate adequate revenue consistently, and we may be exposed to risk arising out of negligence or non-performance by our third-party patient service centers.

27. Non-compliance with and changes in any of the applicable laws, rules or regulations, including safety, health and environmental laws, may adversely affect our business, results of operations and financial condition.

Our clinics through which we provide services are "clinical establishments" under the Clinical Establishments (Registration and Regulation) Act, 2010 ("**CERR Act**") and the Clinical Establishments (Central Government) Rules, 2012 ("**CECG Rules**") and the respective state legislation in this regard. We are also subject to a broad range of safety, health and environmental laws and various labor, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, bio-medical waste and water discharges, on the storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of our operations. For example, the Biomedical Waste Management Rules, 2016 ("**Biomedical Waste Rules**") are applicable to all persons generating, collecting, receiving, storing, transporting, treating, disposing or handling bio-medical waste in any form including hospitals, clinics and pathological laboratories. The Biomedical Waste Rules prescribe different categories of waste and various treatment and disposal options. Non-compliance in the discharge of medical waste or of other hazardous substances or other pollutants into the soil or water may cause us to be liable to the government and regulatory bodies or to third parties. In addition, we may be required to incur costs to remedy the damage caused by such discharges, pay fines or other penalties for non-compliance. If a determination is made that we are in violation of any of the applicable laws, rules or regulations, including conditions in the permits required for our operations, we may be subjected to regulatory sanctions, have to pay fines, modify or discontinue our operations, incur additional operating costs or make capital expenditures which would adversely affect our business, financial position, results of operations or cash flows.

We are also subject to the laws and regulations governing relationships with employees in such areas as minimum wage, gratuity, provident fund and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. There is a risk that we may inadvertently fail to comply with such regulations, which

could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals. We cannot assure you that we will not be involved in future litigation or other proceedings or be held liable in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which may be significant.

28. *Our operations may be adversely affected by the effects of health pandemics, civil disturbances, social unrest, hostilities or acts of terrorism, natural disasters such as extreme weather events and other criminal activities.*

Certain events that are beyond our control, such as health pandemics, terrorist attacks, natural calamities and other acts of violence or war, may adversely affect worldwide financial and Indian markets, and could potentially lead to a severe economic recession, which could adversely affect our business, results of operations, financial condition and cash flows, and more generally, any of these events could lower confidence in India's economy.

India has experienced social unrest in some parts of the country. If such tensions occur in other parts of the country leading to overall political and economic instability, it could have a materially adverse effect on our business, financial condition, cash flows, results of operations and the trading price of our Equity Shares. India has also experienced natural calamities such as earthquakes, tsunamis, floods and droughts in the past. Instances of floods or other natural calamities could have an adverse effect on our business and the price of our Equity Shares. Such events may result in a temporary decline in the number of patients who seek clinical testing services or in our employees' ability to perform their duties. In addition, such events may temporarily interrupt our ability to transport specimens, to receive materials from our suppliers or otherwise to provide our services. For instance, recent floods in the south Indian state of Kerala caused major disruptions in our operations and adversely affected our business.

29. *Technological advancement may lead to more cost-effective technologies or non-invasive diagnostic healthcare treatments that can be performed without the use of specialized diagnostic healthcare service centres, which could adversely affect our business, results of operations and financial condition.*

Technological advancement could lead to the development of more cost-effective technologies or non-invasive diagnostic healthcare treatments which are more convenient or less expensive than the tests that we offer. The introduction of such technology and its subsequent use by our existing and potential patients could lead to a decline in the demand for our services. Advances in technology may lead to the development of more cost-effective treatments, and could affect the market for our services and, therefore, adversely affect our business, results of operations and financial condition.

30. *We rely on our information technology platform for the operation of our business and to protect our patients' personal information, and any disruption to our systems, or failure to protect such confidential information, could adversely affect our business and reputation and result in litigation.*

We have information technology systems that support our business processes, including for aiding in treatments, transmission of testing results, billing services, quality control, tracking logistics, human resources, finance and other patient service functions. As a result, our business depends on the capacity, reliability and security of our technology systems, as well as the systems of third-party information technology vendors whom we engage and will continue to do so. These systems may be susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, break-ins and similar events. Effective response to such disruptions will require effort and diligence on the part of our third-party vendors and employees to avoid any adverse effect to our information technology systems. In addition, our systems and proprietary data stored electronically may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. Sustained system failures or interruption of our systems (including systems of third-party information technology vendors) in one or more of our laboratory operations could disrupt our ability to process laboratory requisitions, perform testing, provide test results in a timely manner and bill the appropriate party. The occurrence of any such events could adversely affect our business, interrupt our operations, subject us to increased operating costs and expose us to litigation.

Further, we must comply with privacy laws and regulations with respect to the use, storage and disclosure of protected patients' health information, as well as laws pertaining to the electronic transmission of such information, such as the Information Technology (Reasonable security practices and procedures and sensitive personal data on information) Rules, 2011. In the ordinary course of our business, we receive certain personal information about our customers and their patients, including by electronic means. Accordingly, we depend upon our internal information technology system for the storage and transmission of such confidential information. A compromise in our security systems (including systems of third-party information technology vendors) that results in customer or patient personal information being obtained by unauthorized persons or our failure to comply with security requirements for use, storage and transmission of sensitive information could adversely affect our reputation with our customers and result in litigation against us or the imposition of penalties and fines,

all of which may adversely impact our business, results of operations, financial condition and liquidity. Further, new requirements for additional security and protection of the privacy of patient information could prove technically difficult, time-consuming or expensive to implement. Failure to comply with privacy laws and regulations may adversely impact our business and reputation and result in litigation.

31. *If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.*

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our laboratories adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares.

32. *We conduct certain business operations on leased premises and our inability to renew such leases may adversely affect our business, results of operations and financial condition.*

As of November 30, 2021, 52 of our clinics, hospitals and OPDs are on leasehold or leave and license basis. In case of any deficiency in the title of the owners from whose premises we operate, breach of the contractual terms of any lease, leave and license agreements, or if any of the owners of these premises do not renew the agreements under which we occupy the premises, or if they seek to renew such agreements on terms and conditions unfavourable to us, or if they terminate our agreements, we may suffer a disruption in our operations and will have to look for alternate premises. Further, in respect of certain laboratories, patient service centres and business premises, we are in the process of entering into fresh or renewed written arrangements for lease or leave and license, as the case may be. We may be unable to relocate our clinics and other offices in a timely manner or at acceptable terms, which may adversely affect our business, results of operations and financial condition.

Further, some of our lease agreements and leave and license agreements may not have been duly stamped as per applicable law or registered with the registering authority of the appropriate jurisdiction. An instrument not duly stamped, or insufficiently stamped, is not admitted as evidence in any Indian court or may even attract a penalty as prescribed under applicable law, which could adversely affect our business, results of operations and financial condition.

33. *We face foreign exchange risks that could adversely affect our results of operations.*

We make payment for certain expenses in US dollars and as such, we are exposed to fluctuations in exchange rates between US Dollar and the Indian Rupee. We are exposed to the risk of incurring potential losses if currencies fluctuate significantly. Any such losses on account of foreign exchange fluctuations may adversely affect our results of operations.

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

Majority of our business is based in Maharashtra. This concentration of our business in Maharashtra, 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.

35. *We face intense competition from other healthcare service providers. If we are unable to compete effectively, our business, results of operations and cash flows may be materially and adversely affected.*

We operate in a competitive environment. In most markets, we compete with hospitals, clinics, diagnostic chains and dispensaries of varying sizes with different specialties. We compete on the basis of factors such as our specialty and other service offerings, quality and selection of healthcare professionals, affordability, quality of care, technology, quality of facilities, patient satisfaction, brand and reputation. Our pharmacies in our hospitals compete on factors such as price and product offerings. Some of our multi-specialty competitors offer services that we do not offer. Some of our competitors are owned or operated by governmental bodies or by private not-for-profit entities supported by endowments and charitable contributions, which can finance capital expenditures without incurring significant tax obligations. We may also face competition from new market entrants, healthcare companies which may enter the Indian market in the future.

36. *If we are unable to maintain bed occupancy rates at sufficient levels at our hospitals at Nagpur and Khopoli, we may not be able to generate adequate returns on our capital expenditure, could adversely affect our operating efficiencies and our profitability*

Our ability to sustain the hospitals depends on our ability to maintain and increase bed occupancy rates, which in turn depends on factors such as brand recognition in the communities in which we operate, our ability to attract and retain quality healthcare professionals, our ability to develop improved practices and our ability to compete effectively with other hospitals and clinics. If we fail to maintain or improve our occupancy rates while we continue to incur significant capital expenditure, our business, financial condition, results of operations and prospects may be materially and adversely affected.

37. *If we fail to achieve favorable pricing on medical consumables, pharmacy items, drugs, and surgical instruments from our suppliers or are unable to pass on any cost increases to our payers, and other adverse regulatory changes in the healthcare industry our profitability could be materially and adversely affected.*

Our profitability is affected by our ability to achieve favorable pricing on our medical consumables, pharmacy items and medical equipment from our suppliers, including through negotiations for supplier rebates. Because these supplier negotiations are continuous and reflect the ongoing competitive environment, the variability in timing and amount of incremental supplier discounts and rebates can affect our profitability. These supplier programs may change periodically, potentially resulting in higher cost of surgical instruments, drugs and consumables. Further, such pricing constraints can impair our continued profitability and financial condition in general. If we are unable to adopt alternative means to deliver value to our patients, our revenue and profitability may be materially and adversely affected.

38. *Any failure to keep abreast with the latest trends in the technologies may adversely affect our cost competitiveness and ability to develop new products.*

We operate in a technologically intensive environment, where we will be competing on a global scale for our services. Players of this industry are largely dependent on the technology adopted. The process and media in our industry are regularly changing and is prone to technological and process changes. Technology by its very nature is dynamic and ever-changing, and we may not be able to keep pace with the rapidly changing technological environment. Any such failure on our part could adversely affect our ability to compete efficiently, our cost-competitiveness and the quality of our service, which could consequentially adversely affect our sales and profitability.

39. *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.

40. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the issue. Further we have not identified any alternate source of financing the ‘Objects of the Issue’. 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 issue. 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 issue or any shortfall in the issue 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 Issue” beginning on page 58 of the Prospectus.

41. Our Company is dependent on third party transportation providers for the supply of medicines, diet kits, materials and delivery of our products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations

Our Company uses third party transportation providers for the supply of medicines, diet kits, materials and delivery of our products to our domestic customers. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on the supplies from our suppliers and deliveries to our customers. These transportation facilities may not be adequate to support our existing and future operations. In addition, the materials, and products maybe lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of materials and products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our products to our customers may have an adverse effect on our business and results of operations. Further, disruptions of transportation services due to weather-related problems, strikes, lockouts, inadequacies in the road infrastructure and port facilities, or other events could impair our ability to supply our products to our customers. Any such disruptions could materially and adversely affect our business, financial condition, and results of operations.

42. We have issued Equity Shares during the last one year at a price that may be below the Issue Price.

During the last one year we have issued Equity Shares at a price that may be lower than the Issue Price. For further details, see “Capital Structure” on page 48. The prices at which Equity Shares have been issued by us in last one year should not be taken to be indicative of the Price Band, Issue Price and the trading price of our Equity Shares after listing.

43. Certain filings of our Company under the Companies Act have been filed post the prescribed date of filing. There may also be certain inadvertent errors in these filings.

Certain filings of our Company under the Companies Act, including those in relation to issue 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. There may also be instances where there are inadvertent errors in secretarial records and filings which have not been rectified by us. Further we are not able to trace the share transfer documents for the equity shares transferred from Mr. Rohit Madhav Sane to Mr. Atul Bhide. In addition we are not able to trace the documents (Form 2) with respect to allotment made on December 7, 2002. We cannot assure you that these filings and errors will not be subject to any penalties imposed by the relevant authority in this respect.

44. 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:

- our ability to acquire and retain clients for our products & services;
- 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 151 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.

45. *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 114.

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.

46. *Members of our Promoter Group will continue to retain significant control in our Company after the Issue, which will allow them to influence the outcome of matters submitted to shareholders for approval. Such a concentration of ownership may also have the effect of delaying, preventing, or deterring a change in control.*

After the completion of this Issue, our Promoters and Promoter Group will continue to hold 66.29% of the paid up Equity Share capital of our Company. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoter and members of our Promoter Group will act in our interest while exercising their rights in such entities, which may in turn materially and adversely affect our business and results of operations. We cannot assure you that our Promoter will act to resolve any conflicts of interest in our favor. If our Promoter sells a substantial number of the Equity Shares in the public market, or if there is a perception that such sale or distribution could occur, the market price of the Equity Shares could be adversely affected. No assurance can be given that such Equity Shares that are held by the Promoter will not be sold any time after the Issue, which could cause the price of the Equity Shares to decline.

47. *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.*

We propose to utilize the Net Proceeds to meet additional working capital requirements. For further details of the proposed objects of the Issue, please refer “*Objects of the Issue*” on page 58.

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 Issue 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 Issue to use any unutilized proceeds of the Issue, 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.

48. *Our funding requirements and deployment of the issue 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 Issue 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.

49. 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 issue 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 Issue size above ₹ 10,000.00 lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to 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 Issue proceeds could adversely affect our financials.

50. 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)			
	September 30, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Net cash from Investing Activities	(79.77)	(40.98)	(393.11)	(1005.30)
Net Cash from Financing Activities	65.80	(552.14)	(363.33)	770.58

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 116 and 151, respectively.

51. 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 115.

52. Our insurance cover may not be adequately protect us against all material hazards and accidents.

Our operations are subject to accidents which are inherent to any manufacturing process such as risks of equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. We may also be subject to product liability claims if the services that we provide are not in compliance with regulatory standards and the terms of our contractual arrangements. Our insurance policies include directors and officers liability insurance, standard fire and special perils policy, burglary policy, staff group health policy, sexual harassment policy and vehicle insurance. Our insurance policies may not be sufficient to cover the economic loss that we may have to

suffer due to an unfortunate incident. To the extent that we suffer loss or damage for events for which we are not insured or for which our insurance is inadequate, the loss would have to be borne by us, and as a result, our results of operations and financial condition could be adversely affected.

53. *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

54. *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.

55. *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 87. 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.

56. *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.

57. *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 ISSUE

58. 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 Issue. The price may not necessarily be indicative of the market price of our Equity Shares after the Issue is completed. You may not be able to re-sell your Equity Shares at or above the Issue 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 Issue, but there can be no assurance that active trading in our Equity Shares will develop after the Issue, 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 Issue 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.

59. 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 48, an aggregate of 20% of our fully diluted post-Issue 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 48, 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.

60. 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.

61. *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 Issue Period and withdraw their applications until Issue Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Offer within six Working Days from the Issue 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 Issue or may cause the trading price of our Equity Shares to decline on listing.

62. *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.

63. *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.

64. 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.

65. The Equity Shares have never been publicly traded, and, after the Issue, 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 Issue Price, or at all.

Prior to the Issue, 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 Issue. Our Company and the Lead Manager have appointed BHH Securities Private 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 Issue 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 ISSUE

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

Particulars	Details of Equity Shares
Issue of Equity Shares by our Company[#]	Issue of 27,71,200 Equity Shares having face value of ₹10.00 each at a price of ₹73.00 per Equity Share (including a share premium of ₹63.00 per Equity share) aggregating ₹2022.98 lakhs
<i>Of which:</i>	
Market Maker Reservation Portion	Issue of 1,40,800 Equity Shares having face value of ₹10.00 each at a price of ₹73.00 per Equity Share aggregating ₹102.78 lakhs
Net Issue to the Public*	Issue of 26,30,400 Equity Shares having face value of ₹10.00 each at a price of ₹73.00 per Equity Share aggregating ₹1,920.19 lakhs
	<i>Of which:</i>
	13,15,200 Equity Shares having face value of ₹10.00 each at a price of ₹73.00 per Equity Share aggregating ₹960.10 lakhs will be available for allocation to Retail Individual Investors
	13,15,200 Equity Shares having face value of ₹10.00 each at a price of ₹73.00 per Equity Share aggregating ₹960.10 lakhs will be available for allocation to other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
Pre and Post Issue Share Capital of our Company	
Equity Shares outstanding prior to the Issue	77,42,250 Equity Shares
Equity Shares outstanding after the Issue	1,05,13,450 Equity Shares
Objects of the Issue	Please refer “ <i>Objects of the Issue</i> ” on page 58.

[#] Public issue of 27,71,200 Equity Shares having face value of ₹10.00 each at a price of ₹73.00 per Equity Share (including a share premium of ₹63.00 per Equity share) aggregating ₹2022.98 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 Issue’ on page 179.

The Issue has been authorised by our Board pursuant to a resolution dated November 30, 2021, and by our Equity Shareholders pursuant to a resolution passed at the extraordinary general meeting held on December 3, 2021.

*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:

- 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

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(₹ in Lakhs)

Particulars	Note No.	30.09.21	31.03.21	31.03.20	31.03.19
Equity & Liabilities					
Shareholders Fund					
Share Capital	I.1	697.50	4.50	4.50	4.50
Reserves and surplus	I.2	414.67	972.19	817.49	873.50
Total Shareholder's Fund		1,112.17	976.69	821.99	878.00
Non Current Liabilities					
Long Term Borrowings		0.00	0.00	0.00	0.00
Long term provisions	I.3	170.20	211.70	162.86	47.60
Deferred Tax Liability	I.4	0.00	0.00	51.37	59.53
Other Non-Current Liabilities		0.00	0.00	0.00	0.00
Total Non-Current Liabilities		170.20	211.70	214.23	107.13
Current Liabilities					
Short Term Borrowings	I.5	178.31	101.63	596.88	866.65
Trade Payables	I.6	493.22	618.14	811.40	645.68
Other Current Liabilities	I.7	379.63	514.17	403.26	299.62
Short Term Provisions	I.8	244.50	158.26	63.41	90.64
Total Current Liabilities		1,295.66	1,392.21	1,874.95	1,902.59
Total Equity & Liability		2,578.03	2,580.60	2,911.17	2,887.72
Non-Current Assets					
a) Fixed Assets					
Tangible Assets	I.9	1,624.00	1,670.10	1,438.92	1,416.88
Intangible Assets	I.9	53.57	45.43	112.33	149.39
Capital Work in Progress	I.9	35.19	38.06	379.01	201.65
Total Fixed Assets (a)		1,712.76	1,753.59	1,930.26	1,767.92
b) Non Current Investments	I.10	0.00	1.00	2.00	2.00
c) Long Term Loans and Advances	I.11	107.15	102.90	128.55	113.65
d) Other Non Current Assets		0.00	0.00	0.00	0.00
e) Deferred Tax Assets	I.4	24.11	4.11	0.00	0.00
Total Non-Current Assets		1,844.02	1,861.60	2,060.81	1,883.57
Current assets					
Current Investments		0.00	0.00	0.00	0.00
Inventories	I.12	128.77	161.49	290.32	360.88
Trade Receivables	I.13	267.72	263.84	249.68	365.41
Cash and Cash Equivalents balances	I.14	141.16	90.48	106.03	90.44
Short Term Loans and advances	I.15	52.56	58.72	54.89	39.03
Other Current Assets	I.16	143.80	144.47	149.44	148.39
Total Current Assets		734.01	719.00	850.36	1,004.15
Total Assets		2,578.03	2,580.60	2,911.17	2,887.72

STATEMENT OF PROFIT & LOSS AS RESTATED

(₹ in Lakhs)

Particulars	Note No.	30.09.21	31.03.21	31.03.20	31.03.19
Income					
Revenue from Operations	II.1	3,156.41	5,227.48	7,523.02	6,249.63
Other Income	II.2	0.10	0.44	6.71	7.23
Total Revenue		3,156.51	5,227.92	7,529.73	6,256.86
Expenditure					
Purchases	II.3	940.56	1,550.00	2,068.39	1,871.57
Changes in Inventories	II.4	32.72	128.83	70.56	-158.67
Employee Benefit Expenses	II.5	894.96	1,335.62	2,082.41	1,471.78
Other Expenses	II.6	1,027.22	1,750.86	3,036.94	2768.14
Total (B)		2,895.46	4,765.31	7,258.30	5,952.82
Profit Before Interest, Depreciation and Tax		261.05	462.61	271.43	304.04
Depreciation and Amortisation Expenses	I.9	117.45	244.74	222.58	159.22
Profit Before Interest and Tax		143.60	217.87	48.85	144.82
Finance Costs	II.7	10.88	56.89	93.56	56.66
Profit before Taxation		132.72	160.98	-44.71	88.16
Provision for Taxation		17.25	61.76	19.17	42.63
Provision for Deferred Tax		-20.00	-55.48	-8.16	-4.06
Total Taxes		-2.75	6.28	11.01	38.57
Profit After Tax but Before Extra ordinary Items		135.47	154.70	-55.72	49.59
Extraordinary Items		0.00	0.00	0.00	0.00
Prior Period Items		0.00	0.00	0.00	0.00
Net Profit after adjustments		135.47	154.70	-55.72	49.59
Net Profit Transferred to Balance Sheet		135.47	154.70	-55.72	49.59

STATEMENT OF CASH FLOWS AS RESTATED

(₹ in Lakhs)

PARTICULARS	30.09.21	31.3.21	31.03.20	31.03.19
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit Before Tax	132.72	160.98	(44.71)	88.16
<i>Adjusted for :</i>				
a. Depreciation	117.45	244.74	222.58	159.22
b. Interest Expenses & Finance Cost	10.88	56.89	93.56	56.66
c. Interest & Other Income	(0.10)	(0.44)	(6.71)	(7.23)
d. Other Adjustment	0.00	0.00	(0.29)	0.29
Operating profit before working capital changes	260.95	462.17	264.43	297.10
<i>Adjusted for :</i>				
a. Decrease /(Increase) in Inventories	32.72	128.83	70.56	(158.67)
b. Decrease / (Increase) in trade receivable	(3.88)	(14.16)	115.73	(272.89)
c. (Increase) / Decrease in short term loans and advances	6.16	(3.83)	(15.86)	33.71
d. Increase / (Decrease) in Trade Payables	(124.92)	(193.26)	165.72	289.42
e. Increase / (Decrease) in short term provisions	86.24	94.85	(27.23)	(132.87)
f. Increase / (Decrease) in other current liabilities	(134.54)	110.91	103.64	198.26
g. Increase / (Decrease) in other Non-current liabilities	0.00	0.00	0.00	(52.21)
h. (Increase) / Decrease in Other Current Assets	0.67	4.97	(1.05)	(48.46)
i. Increase / (Decrease) in Long Term Provisions	(41.50)	48.85	115.26	47.60
Cash generated from operations	81.90	639.33	791.20	200.99
Income Tax Paid	17.25	61.76	19.17	42.63
NET CASH GENERATED FROM OPERATION	64.65	577.57	772.03	158.36
B. CASH FLOW FROM INVESTING ACTIVITIES				
a. (Purchase) / Sale of Fixed Assets & Capital WIP	(76.62)	(68.07)	(384.92)	(896.88)
b. (Purchase) / Sale of non-current investment	1.00	1.00	0.00	(2.00)
c. (Increase) / Decrease in Long term loans and advances	(4.25)	25.65	(14.90)	(113.65)
e. Interest & Other Income	0.10	0.44	6.71	7.23
Net cash (used) in investing activities	(79.77)	(40.98)	(393.11)	(1005.30)
C. CASH FLOW FROM FINANCING ACTIVITIES				
a. Interest & Finance Cost	(10.88)	(56.89)	(93.56)	(56.66)
b. Proceeds from share issued	0.00	0.00	0.00	0.00
c. (Repayments) / proceeds of long term borrowings	0.00	0.00	0.00	0.00
d. (Repayments) / proceeds of short term borrowings	76.68	(495.25)	(269.77)	827.24
Net cash generated/(used) in financing activities	65.80	(552.14)	(363.33)	770.58
Net Increase / (Decrease) in cash and cash equivalents	50.68	(15.55)	15.59	(76.36)
Cash and cash equivalents at the beginning of the year	90.48	106.03	90.44	166.80
Cash and cash equivalents at the end of the year	141.16	90.47	106.03	90.44

GENERAL INFORMATION

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Pune dated April 6, 1999 with the name ‘Vaidya Sane Ayurved Laboratories Private Limited’. Subsequently, our Company was converted into to a public limited company and the name of our Company was changed to ‘Vaidya Sane Ayurved Laboratories Limited’ by a special resolution passed on November 19, 2021. A fresh Certificate of Incorporation consequent upon conversion was issued on November 25, 2021 by the Registrar of Companies, Pune.

Company Identification Number	U73100PN1999PLC013509
Address of Registered office of Company	Fl. 5, 1047, Shriram Bhawan, Shukrawar Peth, Pune – 411002, Maharashtra, India
Office Address where all or any books of account and papers are maintained	201 B, Bhoomi Velocity, Road No. 23, Above ICICI Bank, Wagle Estate, Thane (West), Thane – 400604, Maharashtra, India
Address of Registrar of Companies	Registrar of Companies, Maharashtra, Pune PCNTDA Green Building, BLOCK A, 1st & 2nd Floor, Near Akurdi Railway Station, Akurdi, Pune-411044, Maharashtra, India. Tel: +91 20-27651375 E-mail: roc.pune@mca.gov.in
Designated Stock Exchange	National Stock Exchange of India Limited
Listing of Shares offered in this Issue	NSE Emerge
Contact Person:	Abhishek Ajay Deshpande, Company Secretary and Compliance Officer 201 B, Bhoomi Velocity, Road No. 23, Above ICICI Bank, Wagle Estate, Thane (West), Thane – 400604, Maharashtra, India Tel: +91 7738070019 Fax: Not Available E-mail: cs@madhavbaug.com Website: www.madhavbaug.org

For details of the changes in our Name, Registered Office and other details, please refer “*History and Certain Other Corporate Matters*” on page 93.

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.	Dr. Rohit Madhav Sane <i>Managing Director & CEO</i>	APCPS4491J	00679851	B-14, Eden Garden Society, Sion Trombay Road, Opp. Deonar Depot, Chembur, Mumbai – 400088, Maharashtra, India
2.	Dr. Vidyut B. Ghag <i>Whole Time Director</i>	AWHPK6600M	09299252	Krishna Tower CHS, Plot No. 8, Flat No. 602, Near Ganesh Maidan, Sector 25, Jui Nagar, Navi Mumbai – 400706, Maharashtra, India
3.	Dr. Mahesh P. Kshirsagar <i>Independent Director</i>	AQOPK4941Q	07612577	Shradha Niwas, Jalna Road, Shahu Nagar, Bid, Beed – 341122, Maharashtra, India
4.	Ratnakar V. Rai <i>Independent Director</i>	AFBPR2707M	00126309	G2/503, Sphene, Moraj Residency, Kasturi Co-op Housing Society, Palm Beach Road, New Mumbai, Sanpada – 400705, Thane, Maharashtra, India

Sr. No.	Name and Designation	PAN	DIN	Address
5.	Dr. Sushrut R. Dambal <i>Independent Director</i>	AJKPD5729J	06795550	Aashirwad, Vidya Nagar, Tambri Vibhag, Osmanabad – 413501, Maharashtra, India

For detailed profile of our Managing Director and other Directors, please refer “Our Management” and “Our Promoters and Promoter Group” on page 97 and 107 respectively.

Company Secretary and Compliance Officer

Our Company has appointed **Abhishek Ajay Deshpande**, the Company Secretary of our Company, as the Compliance Officer, whose contact details are set forth hereunder.

Abhishek Ajay Deshpande

Company Secretary and Compliance Officer

201 B, Bhoomi Velocity, Road No. 23,
Above ICICI Bank, Wagle Estate,
Thane (West), Thane – 400604, Maharashtra, India
Tel: +91 7738070019
Fax: Not Available
E-mail: cs@madhavbaug.com
Website: www.madhavbaug.org

Chief Financial Officer

Our Company has appointed **Darshan S. Shah**, as the Chief Financial Officer. His contact details are set forth hereunder.

Darshan S. Shah

201 B, Bhoomi Velocity, Road No. 23,
Above ICICI Bank, Wagle Estate,
Thane (West), Thane – 400604, Maharashtra, India
Tel: +91 7738070019
Fax: Not Available
E-mail: darshan.shah@madhavbaug.com
Website: www.madhavbaug.org

Applicants can contact the Compliance Officer or the Lead Manager 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 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 Issue.

All grievances may be addressed to the Registrar to the Issue 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 Issue of our Company:

Lead Manager of the Issue	Registrar to the Issue
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	BIGSHARE SERVICES PRIVATE LIMITED 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri East, Mumbai - 400 059 Tel. No.: +91 22 6263 8200 Email: ipo@bigshareonline.com

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	Investor Grievance Email: investor@bigshareonline.com Website: www.bigshareonline.com Contact Person: Ashish Bhope SEBI Registration No.: INR000001385
Banker to the Company Saraswat Co-operative Bank Limited Kishore Smruti, Station Road, Kalwa, Thane - 400 605, Maharashtra, India. Tel No.: +91 22 2467 1173 Fax No.: +91 22 2634 7456 Email: incharge_kalwa@saraswatbank.com Website: www.saraswatbank.com Contact Person: Nileema Nagavkar	Legal Advisor to the Issue N.K. Bharule Advocate High Court Thadasing Tower, Near Gurusangat Darbar, Shop No. 4, Sector 26, Ulhasnagar – 421004, Thane, Maharashtra, India Tel. No.: +91 9860672411 Email: Nilesh22nkb@gmail.com Contact Person: Nilesh K. Bharule
Statutory Auditor of the Company and Peer Review Auditor M/s. A. A. Mohare & Co. Chartered Accountants 1/3, Shree Vivekanand CHS Ltd., Guru Mandir Road, Saraswat Colony, Dombivli East 421201, Maharashtra, India Tel No.: +91 251 2473000 Email: amit@aamco.in Contact Person: CA Amit A. Mohare Membership No: 148601 Firm Registration No.: 114152W Peer Review No.: 010578#	Escrow and sponsor Banker to the Issue Axis Bank Limited Giriraj Heights, Link Road, Vrajbhomi Complex, Kandivali West, Mumbai – 400 067, Maharashtra, India. Tel. : +91-22- 2967 2795 Fax: +91-22- 2967 2795 Email Id: kandivaliwest.branchhead@axisbank.com Website: www.axisbank.com SEBI Registration No: INR000003639 Contact Person: Sheetal Sandesh Vichare

The peer review certificate of our Auditors was valid till December 18, 2021 and our Auditors have already applied for the renewal of the same.

Changes in Auditors for last three years

M/s. A. A. Mohare & Co., Chartered Accountants were appointed as Statutory Auditors of our Company for the FY 2020-21 in place of M/s Vikrant Salunkhe & Associates, 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 National Stock Exchange of India i.e. 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, 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 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 and updated from time to time.

Credit Rating

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

IPO Grading

Since the issue 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 Issue, 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. A. A. Mohare & Co., Chartered Accountants to include its 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 December 7, 2021 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. A. A. Mohare & 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 November 30, 2021 included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

Debenture Trustees

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

Appraisal and Monitoring Agency

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

The Objects of the Issue 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 Issue 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. However, pursuant to Regulation 246(5), the soft copy of Draft Prospectus has been submitted to SEBI. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Draft 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 Draft Prospectus and 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 at Plot No.C4-A, 'G' Block Bandra-Kurla Complex, Bandra (East), Mumbai - 400051.

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 PCNTDA Green Building, BLOCK A, 1st & 2nd Floor, Near Akurdi Railway Station, Akurdi, Pune-411044, Maharashtra, India.

Underwriting Agreement

This Issue is 100% Underwritten. The Underwriting agreement is dated December 3, 2021. 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 Issue:

Details of the Underwriter	No. of shares underwritten*	Amount Underwritten (₹in lakhs)	% of the Total Issue Size Underwritten
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 Website: www.focl.in SEBI Registration No: INM000003671 Contact Person: Satish Sheth / Mala Soneji	27,71,200	2,022.98	100.00%
Total	27,71,200	2,022.98	100.00%

* Includes Market making portion of 1,40,800 Equity Shares

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 Issue

Our Company has entered into Market Making Agreement dated January 11, 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:

Name	BHH Securities Private Limited
Office Address	634, Rotunda Building, Bombay Samachar Marg, Mumbai - 400023
Tel no.	+91-22-30289783,30289874
Email	info@bhhsecurities.com
Contact Person	Rahul Harlalka
SEBI Registration No.	INZ000262331

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 Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 5% of Issue 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 particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

- 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 issue 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 issue 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
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- 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 issue size, and as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to ₹20 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 Issue is set forth below:

No.	Particulars	Amount (₹ in lakhs)	
		Aggregate nominal value	Aggregate value at Issue Price
A.	Authorised Share Capital		
	1,50,00,000 Equity Shares of ₹10.00 each	1,500.00	-
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	77,42,250 Equity Shares of ₹10.00 each	774.23	-
C.	Present Issue in terms of this Prospectus		
	Issue of 27,71,200 Equity Shares for cash at a price of ₹73.00 per Equity Share	277.12	2,022.98
	<i>Which comprises:</i>		
	1,40,800 Equity Shares of ₹10.00 each at a price of ₹73.00 per Equity Share reserved as Market Maker portion	14.08	102.78
	Net Issue to the Public of 26,30,400 Equity Shares of ₹10.00 each at a price of ₹73.00 per Equity Share	263.04	1,920.19
	<i>Of which:</i>		
	13,15,200 Equity Shares of ₹10.00 each at a price of ₹73.00 per Equity Share will be available for allocation to Retail Individual Investors upto ₹2,00,000/-	131.52	960.10
	13,15,200 Equity Shares of ₹10.00 each at a price of ₹73.00 per Equity Share will be available for allocation to Other than Retail Individual Investors above ₹2,00,000/-	131.52	960.10
D.	Issued, Subscribed and Paid-up Share Capital after the Issue		
	1,05,13,450 Equity Shares of ₹10.00 each	1,051.35	-
E.	Securities Premium Account		
	Before the Issue		214.83
	After the Issue		1,960.69

The Issue has been authorised by our Board pursuant to a resolution dated November 30, 2021, and by our Equity Shareholders pursuant to a resolution passed at the extraordinary general meeting held on December 3, 2021.

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 5,000 Equity shares of ₹10.00 each and 5,000 6% Preference Shares of ₹10.00 each		On incorporation	-
₹1,00,000 consisting of 5,000 Equity shares of ₹10.00 each and 5,000 6% Preference Shares of ₹10.00 each	₹5,50,000 consisting of 50,000 Equity shares of ₹10.00 each and 5,000 6% Preference Shares of ₹10.00 each	March 23, 2009	EGM
₹5,50,000 consisting of 50,000 Equity shares of ₹10.00 each and 5,000 6% Preference Shares of ₹10.00 each	₹5,50,000 consisting of 55,000 Equity shares of ₹10.00 each by reclassification of 6% Preference Shares into Equity Shares	March 4, 2016	EGM
₹5,50,000 consisting of 55,000 Equity shares of ₹10.00 each.	₹15,00,00,000 consisting of 1,50,00,000 Equity shares of ₹10.00 each.	September 13, 2021	AGM

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

(a) Equity Share Capital

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

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	40	10	10.00	Subscription to MoA ⁽¹⁾	Cash	40	400	Nil
07-12-2002	4,960	10	10.00	Further Allotment ⁽²⁾	Cash	5,000	50,000	0
20-05-2009	12,083	10	13.60	Further Allotment ⁽³⁾	Cash	17,083	1,70,830	43,499
20-05-2009	10,833	10	15.20	Further Allotment ⁽⁴⁾	Cash	27,916	2,79,160	99,830
20-05-2009	12,084	10	93.30	Further Allotment ⁽⁵⁾	Cash	40,000	4,00,000	11,06,417
25-05-2009	5,000	10	10.00	Conversion of 6% Convertible Preference Shares into Equity Shares ⁽⁶⁾	Cash	45,000	4,50,000	11,06,417
21-09-2021	69,30,000	10	Nil	Bonus Allotment in the ratio of 154:1 ⁽⁷⁾	Nil	69,75,000	6,97,50,000	Nil
09-10-2021	7,67,250	10	38.00	Rights Issue ⁽⁸⁾	Cash	77,42,250	7,74,22,500	2,14,83,000

- Initial allotment to Madhav D Sane, Kiran Bhide, Sanjay Sonavane and Madhura Bhide of 10 Equity Shares each, being the subscribers to the MoA of our Company.
- Allotment to Kiran Bhide and Madhura Bhide of 2,480 Equity Shares each.
- Allotment to Kiran Bhide: 12,083 Equity Shares.
- Allotment to Rohit Madhav Sane: 10,833 Equity Shares.
- Allotment to Atul V. bhide: 12,084 Equity Shares.
- Allotment to Kiran Bhide and Madhura Bhide of 1,250 Equity Shares each and to Rohit Madhav Sane of 2,500 Equity Shares pursuant to conversion of 6% Preference Shares into Equity Shares,
- Allotment to Rohit Madhav Sane: 69,29,846 Equity Shares and Shailesh N. Khare: 154 Equity Shares by way of bonus in the ratio of 154:1 i.e. 154 Equity Shares for every 1 Equity Share held by the our equity shareholders.

8. Allotment to Virtuous Capital Limited: 3,58,224 Equity Shares; Vinayak Kudva: 1,30,263 Equity Shares; Santosh Kudva: 1,30,263 Equity Shares; Shripad R. Upasani: 44,550 Equity Shares; Yogesh S. Walawalkar: 44,550 Equity Shares; Gurudatta A. Amin: 44,550 Equity Shares and Darshan S. Shah: 14,850 Equity Shares by way of Rights Issue.

(b) **Preference Share Capital**

History of 6% Preference Shares

Date of Allotment	No. of 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 (₹)
07-12-2002	5,000	10	10	Further Allotment ⁽¹⁾	Cash	5,000	50,000	Nil
25-05-2009	-5,000	10	10	Conversion into Equity Shares	Cash	Nil	Nil	Nil

(1) Allotment of 2,500 Preference Shares each to Kiran Bhide and Madhura Bhide.

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
21-09-2021	69,30,000	10	Nil	Bonus Allotment in the ratio of 154:1	Nil
09-10-2021	7,67,250	10	38.00	Rights Issue	Cash

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

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration
21-09-2021	69,30,000	10	Nil	Bonus Allotment in the ratio of 154:1 ⁽¹⁾	Nil
09-10-2021	7,67,250	10	38.00	Rights Issue ⁽²⁾	Cash

3. Allotment to Rohit Madhav Sane: 69,29,846 Equity Shares and Shailesh N. Khare: 154 Equity Shares by way of bonus in the ratio of 154:1 i.e. 154 Equity Shares for every 1 Equity Share held by the our equity shareholders.
4. Allotment to Virtuous Capital Limited: 3,58,224 Equity Shares; Vinayak Kudva: 1,30,263 Equity Shares; Santosh Kudva: 1,30,263 Equity Shares; Shripad R. Upasani: 44,550 Equity Shares; Yogesh S. Walawalkar: 44,550 Equity Shares; Gurudatta A. Amin: 44,550 Equity Shares and Darshan S. Shah: 14,850 Equity Shares by way of Rights Issue.
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 69,69,300 Equity Shares, constituting 90.02% 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 (%)
Rohit Madhav Sane							
09-12-2003	Purchase (10 Equity Shares from Dr. Madhav Sane; 1240 Equity Shares from Kiran Bhide and 1250 Equity Shares from Madhura Bhide	2,500	10	10	Cash	0.03%	0.02%
12-04-2006	Transferred to Atul Vasant Bhide	-833	10	10	Cash	-0.01%	-0.01%
20-05-2009	Further Allotment	10,833	10	15.20	Cash	0.14%	0.10%
25-05-2009	Conversion of 6% Convertible Preference Shares into Equity Shares	2,500	10	10	Cash	0.03%	0.02%
12-02-2015	Purchase (12917 from Atul V. Bideand 2083 Equity Shares from Madhura Bhide	15,000	10	10	Cash	0.19%	0.14%
13-04-2015	Purchase from Kiran Bhide	14,999	10	10	Cash	0.19%	0.14%
21-09-2021	Bonus Allotment in the ratio of 154:1	69,29,846	10	Nil	Nil	89.51%	65.91%
01-10-2021	Transfer of 100 Equity Shares each to Virtuous Capital Limited, Vinayak Kudva, Santosh Kudva, Shripad R. Upasani, Yogesh S. Walawalkar, Gurudatta A. Amin and Darshan S. Shah	-700	10	38	Cash	-0.01%	-0.01%
23-10-2021	Transfer of 5000 Equity Shares to Rekha J. Paralkar	-5,000	10	38	Cash	-0.06%	-0.05%
23-11-2021	Purchase of 155 Equity Shares from Shailesh Khare	155	10	38	Cash	0.00%	0.00%
	Total	69,69,300				90.02%	66.29%

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-Issue 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-Issue Equity Share Capital (%)	Percentage of Post-Issue Equity Share Capital (%)
Rohit Madhav Sane							
21-09-2021	Bonus Allotment in the ratio of 154:1	21,03,000	10	Nil	Nil	27.16%	20.00%
	Total	21,03,000				27.16%	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 issue 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 Issue 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-issue 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 Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters’ contribution, the pledge of equity shares is one of the terms of sanction of the loan.

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

Transferability of Locked in Equity Shares:

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

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another 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 Class Equity	: Class :preference	Total			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(A)	Promoter & Promoter Group	2	69,74,300	-	-	69,74,300	90.08	69,74,300	-	69,74,300	90.08	-	-	-	-	-	69,74,300
(B)	Public	7	7,67,950	-	-	7,67,950	9.92	7,67,950	-	7,67,950	9.92	-	-	-	-	-	7,67,950
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	9	77,42,250	-	-	77,42,250	100.00	77,42,250	-	77,42,250	100.00	-	-	-	-	-	77,42,250

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 Issue is set forth below:

Sr.	Particulars	Pre-Issue		Post-Issue	
		No. of Shares	% Holding	No. of Shares	% Holding
a)	Promoters				
	Rohit Madhav Sane	69,69,300	90.02%	69,69,300	66.29%
	Sub-Total	69,69,300	90.02%	69,69,300	66.29%
b)	Promoter Group				
	Rekha J. Paralkar	5,000	0.06%	5,000	0.05%
	Sub-Total	5,000	0.06%	5,000	0.05%
	Total	69,74,300	90.08%	69,74,300	66.34%

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 ₹)
Rohit Madhav Sane	69,69,300	0.04

14. None of our Directors or Key Managerial Personnel hold Equity Shares in our Company, other than as set forth below:

Name	No. of Equity Shares held	Pre-Issue percentage of Shareholding
Directors		
Rohit Madhav Sane	69,69,300	90.02%
Key Managerial Personnel		
Darshan S. Shah	14,850	0.19%

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.	Rohit Madhav Sane	69,69,300	90.02%
2.	Virtuous Capital Limited	3,58,324	4.63%
3.	Vinayak Kudva	1,30,363	1.68%
4.	Santosh Kudva	1,30,363	1.68%
	Total	75,88,350	98.01%

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.	Rohit Madhav Sane	44,999	99.998%
2.	Shailesh N. Khare	1	0.002%
	Total	45,000	100.000%

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.	Rohit Madhav Sane	44,999	99.998%
2.	Shailesh N. Khare	1	0.002%
	Total	45,000	100.00%

- 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.	Rohit Madhav Sane	69,69,300	90.02%
2.	Virtuous Capital Limited	3,58,324	4.63%
3.	Vinayak Kudva	1,30,363	1.68%
4.	Santosh Kudva	1,30,363	1.68%
	Total	75,88,350	98.01%

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 Issue, 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. Other than as mentioned below, 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.

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
Dr. Rohit Madhav Sane					
01-10-2021	Transfer of 100 Equity Shares each to Virtuous Capital Limited, Vinayak Kudva, Santosh Kudva, Shripad R. Upasani, Yogesh S. Walawalkar, Gurudatta A. Amin and Darshan S. Shah	-700	10	38	Cash
23-10-2021	Transfer of 5000 Equity Shares to Rekha J. Paralkar	-5,000	10	38	Cash
23-11-2021	Purchase of 155 Equity Shares from Shailesh Khare	155	10	38	Cash
Rekha J. Paralkar					
23-10-2021	Purchase of 5000 Equity Shares from Dr. Rohit Madhav Sane	5,000	10	38	Cash

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 Issue 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 issue.
21. An oversubscription to the extent of 10% of the Net Issue 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 Issue as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity

Shares held by the Promoters and subject to lock- in shall be suitably increased so as to ensure that 20% of the Post Issue paid-up capital is locked in for 3 years.

22. Under-subscription in the net Issue, 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 Issue 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 Issue.
26. Our Company has not raised any bridge loan against the proceeds of this Issue. 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 Issue.
30. We have 9 (nine) Shareholders as on the date of this Prospectus.
31. Our Promoters and the members of our Promoter Group will not participate in this Issue.
32. Our Company has not made any public issue since its incorporation.
33. 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.
34. 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 Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
35. 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 116.

OBJECTS OF THE ISSUE

The objects of the Net Proceeds (as defined below) of the Issue are:

1. Funding Branding and Advertising expenses
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 93.

Issue Proceeds and Net Proceeds

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

S. No.	Particulars	Amount (₹ in lakhs)
1.	Gross Proceeds of the Issue	2,022.98
2.	Issue Expenses	50.00
3.	Net Proceeds of the Issue (excluding the Issue Expenses) (“Net Proceeds”)	1,972.98

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.	Branding and Advertising	1,600.00
2.	General Corporate Purposes	372.98
	Total	1,972.98

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

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 Issue

1. Funding Branding and Advertising Expenses

We believe that the key constituents for any business to succeed in the market are (a) good quality product and services and (b) efficient marketing and promotion of the brand. We believe we have been able to transform Madhavbaug Clinics into a successful healthcare brand. We intend to leverage the success of our Brand by launching clinics in new locations

either owned or on franchisee basis. We propose to use the business insight that we have acquired over the years in this sector in our proposed forays. These activities are integral to maintaining and enhancing brand visibility.

Brands are a means of differentiating an entity's products and services from those of its competitors. In the healthcare sector, a strong brand will help us to make our services distinct from competition. It will also increase awareness about the services provided by our company. In line with our Company's expansion plans, we propose to establish a recognized brand for our Company. Branding is of paramount importance to the success of any company's business, especially for companies like ours. We believe that building a strong brand and increasing the awareness will make it easier for our patients to opt for our healthcare services. More importantly, branding will increase the likelihood that our Company's services will be chosen over another's.

We believe that brand building will go a long way in entrenching our brand in customers minds. Further, we perceive the following benefits will accrue to us from the proposed brand building exercise:

1. Brand Building enhances how consumer look at brand, if brand has strong consumer brand equity then new product/future launches would have high rate acceptance to further strengthen brand image.
2. If a corporate brand or product brand, known for quality and robustness introduces a new product or service then this product or service has more recognition in consumer as they are aware of credibility thereby reducing risk associated with new product or service.
3. If brand extension is due to great demand for the brand among consumers, then even distribution channel is more welcoming for the new product.
4. Cost associated with marketing communication and sales promotion for new product or service as brand extension is reduced as consumers are already aware of the parent brand.

Our Company has been regularly spending on branding and advertising regularly. Our branding and advertising expense for last three years has been as under:

(₹ in lakhs)

Particulars	6 months ended September 30, 2021	FY 2021	FY 2020	FY 2019
Print	7.66	3.08	105.68	116.90
Radio	9.89	13.01	59.06	119.10
TV	90.76	105.91	299.93	138.26
Digital	120.21	134.67	550.90	583.29
Others - Events, Camps and Ground Activations	0.00	69.26	210.25	311.05
Total	228.52	325.92	1,225.82	1268.60

The decrease in spend in FY 2021 was primarily due the impact of Covid 19 pandemic.

Our Company has earmarked an amount of ₹ 1,600.00 lakhs out of the proceeds of the Issue for the funding the Branding and Advertising expenses during FY 2023. For these forays and also to further strengthen our brand image we further propose to spend ₹ 1,600.00 lakhs on advertising and brand building as under:

Particulars	Amount (₹ in lakhs)	Quotation Details
Print	96.00	Dhara Pravah Media, Thane, dated December 1, 2021
Radio	19.80	
Events	54.00	
TV	470.00	M/s Bal M. Joglekar dated December 7, 2021
Radio	30.00	
Digital including Webinars, SMS, Facebook, Adwords, Website, Email, Tie Ups "Corporate Activity"	699.20	Orange Health Digital, MB Unohealth Ventures Private Limited. Dated December 6, 2021
Website Development & Maintenance	25.00	
Website SEO	6.00	
Content Creation, Designing Agency	100.00	
PR Agency, Ads Execution Agency	100.00	
Total	1,600.00	-

2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹372.98 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.

Issue Related Expenses

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

(₹ in lakhs)

Activity	Estimated expenses	As a % of the total estimated Issue expenses	As a % of the total Issue 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.	39.00	78.00%	1.93%
Advertising and marketing expenses	2.50	5.00%	0.12%
Printing and stationery expenses, distribution, and postage	2.50	5.00%	0.12%
ROC, Regulatory and other expenses including Listing Fee	6.00	12.00%	0.30%
Total estimated Issue expenses	50.00	100.00%	2.47%

Schedule of implementation

Sr. No.	Particulars	Commencement	Completion
1	Funding Branding and Advertising expenses	FY 2021-22	FY 2021-23
2	General Corporate Purposes	FY 2021-22	FY 2021-22
3	Issue Related Expenses	FY 2021-22	FY 2021-22

Deployment of Funds in the Objects

As certified by AA Mohare & Co., Chartered Accountants, vide their certificate dated January 21, 2022 our Company has incurred the following expenditure on the Objects:

(₹ in Lakhs)

Particulars	Amount spent till December 31, 2021
Public Issue Expenses	15.38
Total	15.38

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 December 31, 2021*	FY 2021-22	FY 2022-23	Total
1	Funding Branding and Advertising expenses	0.00	500.00	1,100.00	1,600.00
2	General Corporate Purposes	0.00	372.98	0.00	372.98

3	Issue Related Expenses	15.38	34.62	0.00	50.00
	Total	15.38	907.60	1,100.00	2,022.98

*expenses already incurred will be recouped out of the Issue Proceeds.

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

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 ISSUE PRICE

The Issue 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 19 and 116, 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 76.

Quantitative Factors (Based on Standalone Financial Statements)

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

Period	Basic and Diluted EPS (₹)	Weights
FY 2021	2.22	3
FY 2020	-0.80	2
FY 2019	0.71	1
Weighted Average	0.96	

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 ₹ 73.00:

- Based on the basic and diluted EPS of ₹2.22 as per restated financial statements for the year ended March 31, 2021, the P/E ratio is 32.91.
- Based on the weighted average EPS of ₹0.96, as per restated financial statements the P/E ratio is 75.95.
- Industry P/E

Our Company does not have any listed peers which are comparable in terms of business.

3. Return on Net Worth

Period	Return on Net Worth (%)	Weights
FY 2021	15.84	3
FY 2020	-6.78	2
FY 2019	5.65	1
Weighted Average	6.60	

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:

- Based on weighted average EPS of ₹0.96

At the Issue Price of ₹73: 2.95% based on restated financial statements.

- Based on Basic and Diluted EPS for the year ended March 31, 2021 of ₹2.22

At the Issue Price of ₹55: 6.81% based on restated financial statements.

5. Net Asset Value per Equity Share

- As of March 31, 2021: ₹15.95
- NAV per Equity Share after the Issue is : ₹32.59
- Issue Price per Equity Share is: ₹73.00

6. Peer Competitors - Comparison of Accounting Ratios

Our Company does not have any listed peers which are comparable in terms of business.

The face value of Equity Shares of our Company is ₹10 per Equity Share and the Issue price of ₹73 is 7.30 times of the face value.

The Issue Price of ₹73.00 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 19, 76 and 116, respectively of the Prospectus.

STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO VAIDYA SANE AYURVED LABORATORIES LIMITED AND IT'S SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To,
The Board of Directors
Vaidya Sane Ayurved Laboratories Limited
201 B, Bhoomi Velocity, Road No. 23,
Above ICICI Bank, Wagle Estate,
Thane (West), Thane – 400604, Maharashtra, India

Dear Sirs,

Sub: Statement of possible special tax benefits (“the Statement”) available to Vaidya Sane Ayurved Laboratories Limited (“the Company”) and its shareholders prepared in accordance with the requirements of the Securities 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, 2021 (i.e. applicable to Financial Year 2021-22 relevant to Assessment Year 2022-23), 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 AA Mohare & Co.
Chartered Accountants
Firm Registration Number –114152W
CA Amit A. Mohare
Partner
Membership Number - 148601
Place: Thane
Date: November 30, 2021
UDIN: 21148601AAAAFF5578

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 2021-22.

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 gross domestic product (GDP) at current prices stood at Rs. 51.23 lakh crore (US\$ 694.93 billion) in the first quarter of FY22, as per the provisional estimates of gross domestic product for the first quarter of 2021-22.

India is the fourth-largest unicorn base in the world with over 21 unicorns collectively valued at US\$ 73.2 billion, as per the Hurun Global Unicorn List. By 2025, India is expected to have ~100 unicorns by 2025 and will create ~1.1 million direct jobs according to the Nasscom-Zinnov report 'Indian Tech Start-up'.

India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030's, for productivity and economic growth according to McKinsey Global Institute. 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 August 27, 2021, foreign exchange reserves in India reached US\$ 633.5 billion mark.

Road Ahead

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 at 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 of 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 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, which is currently 30% and have plans to increase its renewable energy capacity from to 175 gigawatt (GW) by 2022. 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 shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by PricewaterhouseCoopers.

INDIAN HEALTHCARE INDUSTRY

Introduction

Healthcare has become one of India's largest sector, 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.

Indian 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 September 30, 2021, >89 crore COVID-19 vaccine doses have been administered across the country.

As of December 3, 2021, around 1,25,90,83,898 COVID-19 vaccine doses have been administered across the country.

Market Size

The healthcare market can increase three-fold to Rs. 8.6 trillion (US\$ 133.44 billion) by 2022. In Budget 2021, India's public expenditure on healthcare stood at 1.2% as a percentage of the GDP.

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. Recent developments. Indian medical tourism market was valued at US\$ 2.89 billion in 2020 and is expected to reach US\$ 13.42 billion by 2026.

Between April 2000 and June 2021, FDI inflows for drugs and pharmaceuticals sector stood at US\$ 18.12 billion, according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT). Some of the recent initiatives in the Indian healthcare industry are as follows:

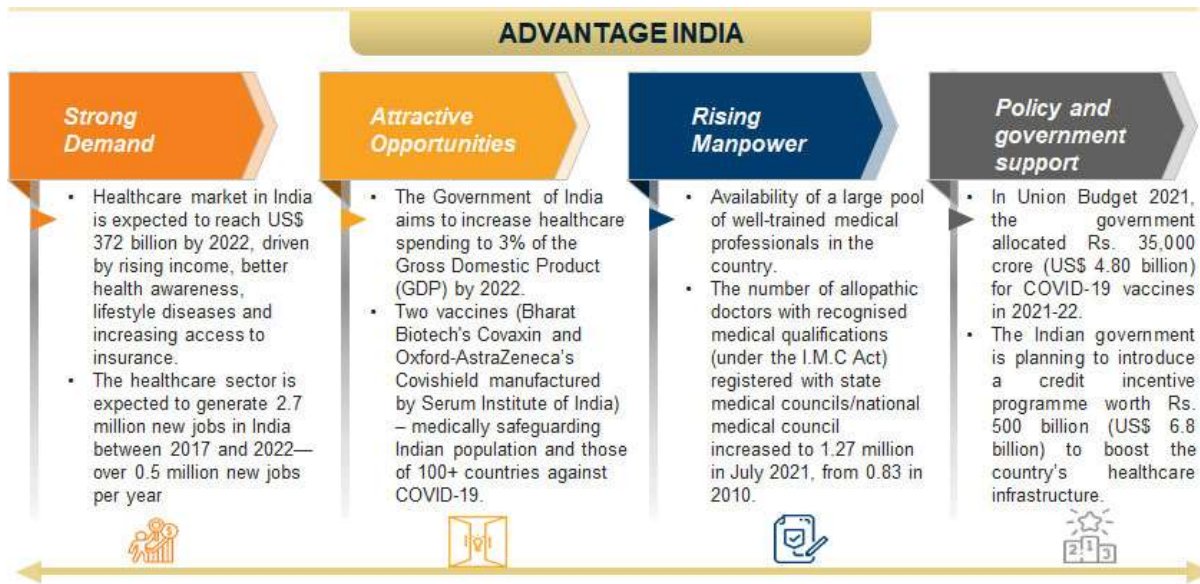
Government Initiatives

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

- In September 2021, Prime Minister Mr. Narendra Modi while speaking at the global COVID-19 summit said that India has shared its vaccine production with 95 countries and the UN peacekeepers. He also stated that India will supply COVID-19 vaccines to other countries after increased production.
- In September 2021, Prime Minister Mr. Narendra Modi launched the Ayushman Bharat Digital Mission. The mission will connect the digital health solutions of hospitals across the country with each other. Under this, every citizen will now get a digital health ID and their health record will be digitally protected.
- In September 2021, Telangana government in a joint initiative with World Economic Forum, NITI Aayog and HealthNet Global (Apollo Hospitals) launched 'Medicine from the Sky' project. The project will pave the way for drone delivery of life saving medicines and jabs in far-flung regions of the country.
- According to a spokesperson, the Indian government is planning to introduce a credit incentive programme worth Rs. 500 billion (US\$ 6.8 billion) to boost the country's healthcare infrastructure. The programme will allow firms to leverage the fund to expand hospital capacity or medical supplies with the government acting as a guarantor and strengthen COVID-19-related health infrastructure in smaller towns.
- In June 2021, the Union Cabinet was apprised of an MoU that was signed between Indian Council of Medical Research (ICMR), India and the Department of Medical Research (DMR), Ministry of Health and Sports of Myanmar in February 2020. The objective of this MoU was to build on the health research relationship in topics of mutual research between India and Myanmar.
- In June 2021, the Union Ministry of Health and Family Welfare, in partnership with UNICEF, held a capacity building workshop for media professionals and health correspondents in Northeastern states on the current COVID-19 situation

in India, the need to bust myths regarding COVID-19 vaccines & vaccination and reinforce the importance of COVID-19 Appropriate Behaviour (CAB).

- In June 2021, Bolo Indya, a domestic social live streaming platform, partnered with the Ministry of AYUSH to improve awareness for traditional Indian methods of medicines and care such as *siddha*, *yoga*, *unani* and *ayurveda* to boost healthy living among citizens. Through this partnership, >10 million citizens will be covered in the next 12 months.
- In June 2021, West Bengal proposed for six new medical colleges in the state, nine new medical colleges became operational in Uttar Pradesh, Telangana approved six medical colleges in the state and Punjab announced establishment of four new medical colleges in the state.
- In June 2021, the Uttar Pradesh government announced to introduce automatic medicine dispensing machine to expand the primary healthcare industry and clinical centres in the country. The state health department has been nominated to design an action plan and install ‘Health ATMs’ walk-in medical kiosks, with combined medical devices for basic laboratory testing, emergency offerings, cardiology, neurology, pulmonary and gynaecology testing services that will be operated by a medical assistant in all 75 districts of Uttar Pradesh.
- In June 2021, the government invited bids for using drones to deliver COVID-19 vaccines and drugs to remote and difficult-to-reach areas to ensure last-mile coverage in select locations of the country.
- As of May 2021, 11.9 lakh Health IDs have been generated and 3,106 doctors and 1,490 facilities have registered on the National Digital Health Mission (NDHM) platform.
- In May 2021, Defense Minister Mr. Rajnath Singh launched ‘Services e-Health Assistance & Tele-consultation (SeHAT)’ OPD portal to provide telemedicine services to armed forces personnel and veterans.
- On May 12, 2021, the Drugs Controller General of India (DCGI), accepted recommendation of Subject Expert Committee (SEC) and accorded permission to conduct the Phase II/III clinical trials of Covaxin (COVID vaccine) for the age group of 2-18 years to its manufacturer, Bharat Biotech Ltd.
- On May 17, 2021, the Defence Ministry launched the first batch of anti-COVID drug, 2-deoxy-D-glucose (2-DG) that was developed by the Institute of Nuclear Medicine and Allied Sciences (INMAS), a lab of Defence Research and Development Organisation (DRDO), along with Dr. Reddy’s Laboratories (DRL), Hyderabad.
- In May 2021, the government announced its plan to ramp up supply and availability of Amphotericin-B, the anti-fungal drug, for treatment of the ‘Black Fungus’ disease. It has also given the license to five manufactures to produce the drug within the country.
- In March 2021, various states and UTs started implementation of the ‘Intensified Mission Indradhanush 3.0’—a campaign aimed to reach those children and pregnant women who were missed out or have been left out of the routine immunisation programme due to the COVID-19 pandemic. This is aimed to accelerate the full immunisation of children and pregnant women through a mission mode intervention.
- In March 2021, the Parliament passed the National Commission for Allied, Healthcare Professions Bill 2021, which aims to create a body that will regulate and maintain educational and service standards for healthcare professionals.
- In the Union Budget 2021, investment in health infrastructure expanded 2.37x, or 137% YoY; the total health sector allocation for FY22 stood at Rs. 223,846 crore (US\$ 30.70 billion).
- The government announced Rs. 64,180 crore (US\$ 8.80 billion) outlay for the healthcare sector over six years in the Union Budget 2021-22 to strengthen the existing ‘National Health Mission’ by developing capacities of primary, secondary and tertiary care, healthcare systems and institutions for detection and cure of new & emerging diseases.
- In Union Budget 2021-22, the government announced its plans to launch ‘Mission Poshan 2.0’ to merge ‘Supplementary Nutrition Programme’ with ‘Poshan Abhiyan’ (Nutrition Mission) in order to improve nutritional outcomes across 112 aspirational districts.
- The Government of India approved continuation of ‘National Health Mission’ with a budget of Rs. 37,130 crore (US\$ 5.10 billion) under the Union Budget 2021-22.
- In the Union Budget 2021, the Ministry of AYUSH was allocated Rs. 2,970 crore (US\$ 407.84 million), up from Rs. 2,122 crore (US\$ 291.39 million).



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.

Indian 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 for the latest dynamics and trends which will have 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.

INDIA EMERGING AS A GLOBAL WELLNESS AND AYURVEDA HUB

<https://www.ibef.org/blogs/india-emerging-as-a-global-wellness-and-ayurveda-hub>

Overview

The Indian wellness industry—estimated at Rs. 49,000 crore (US\$ 6.70 billion)—is gaining momentum on the back of government focus on building a healthy and fit India. Ayurveda is an alternative medicine system with historical roots in India. The Indian wellness and ayurveda industries go hand in hand. Ayurveda is globally acclaimed for its preventive healthcare properties and treatment of many chronic lifestyle disorders. The Indian ayurveda industry has several large players, with the micro, small and medium enterprises (MSMEs) capturing 80% market share. Ayurveda is witnessing a resurgence in India because people have accepted this as a way of life as opposed to the earlier notion of ayurveda as an alternative area of medicine.

AYUSH

The government set up the Ministry of AYUSH (Ayurveda, Yoga, Unani, Siddha and Homoeopathy) in November 2014 to promote the country's indigenous alternative medicines including education and research. The objectives of AYUSH include the following:

- Upgrading educational standards of the Indian Systems of Medicines & Homoeopathy colleges
- Strengthening existing research institutions and facilitating time-bound research programmes
- Outlining schemes for promotion, cultivation and regeneration of medicinal plants
- Evolving Pharmacopoeial standards for the Indian Systems of Medicine & Homoeopathy drugs

A budget of ~Rs. 3,400 crore (US\$ 464.68 million) is set aside for the next five years—towards Ayush Wellness Centres under the National Ayush Mission. The centre has contributed towards the wellness sector by revamping the existing 1.5 lakh health centres across the country.

Key Developments & Trends in India’s Wellness and Ayurveda Sectors

Initiatives by the National Medical & Wellness Tourism Board

The Services Export Promotion Council, the Ministry of Commerce, estimates the global medical tourism market to be worth US\$ 46.6 billion in 2021, with Asia-Pacific accounting for the largest share (40%). In a bid to position India as the global wellness and ayurveda hub, the tourism ministry is planning to register all wellness centres in the country after the pandemic. Mr. Prahalad Patel, Minister of Tourism, during the National Medical and Wellness Tourism Board meeting held in December 2020, outlined various measures to aid medical tourism—such as creating a database of all wellness centres and separate hubs for ayurveda and allopathy to help tourists make the right choices. Other important recommendations by the board were to increase the number of hospitals falling under the international standards of Joint Commission International (JCI) so that tourists have more hospitals to choose from. And also, upgrade hospitals under the National Accreditation Board for Hospitals & Healthcare services (NABH) and elevate them to the JCI level of hospital. Granting of medical visas are also under consideration.

Travel & Hospitality — Enablers of the Wellness and Ayurveda Sector

Travel firms reveal that travellers are now increasingly looking at destinations offering wellness experiences—Goa, Kerala, Meghalaya, Karnataka, etc. Most travel firms now offer wellness packages to their customers.

Mr. Rajeev Kale, President and Country Head – Holidays, MICE, Visa and Thomas Cook India, revealed that the travel firm has launched ‘wellness breaks’ comprising a range of programmes such as meditation, yoga sessions, spa sessions, dietician consultation and nature walks, with a starting price of Rs. 6,500 (US\$ 88.84). “These holidays are being well received by a wide range of consumer segments including millennials, young working professionals and couples,” said Mr. Rajeev.

Many hotels have tie ups with ayurveda and wellness centres where guests can reside at hotels and avail wellness & ayurveda facilities in the hotel premises. Indian Hotels Company Limited (IHCL), which runs the Taj Group of Hotels, revealed that its guests are opting for wellness programmes to relieve themselves from stress, leading to an average 50% increase in demand for spa treatments every month. Mr. Anil Chadha, Chief Operating Officer, ITC Hotels, highlighted that spa is emerging as one of the favourite spaces during the pandemic. The group introduced Taj Wellness in-house retreats in September 2020 across select hotels in partnership with spa brand Jiva Ayurveda.

WHO’s Launch of Ayurveda Research Institutions

In November 2020, the World Health Organisation (WHO) selected India to set up a traditional medicine centre to strengthen research, training and awareness of ayurveda. After the announcement, Prime Minister Mr. Narendra Modi inaugurated two ayurveda institutions—The Institute of Teaching and Research in Ayurveda (ITRA), Jamnagar (Gujarat), and the National Institute of Ayurveda (NIA), Jaipur (Rajasthan). Mr. Modi also emphasised on the need to come up with a new international standard curriculum in ayurveda.

WHO Director General, Mr. Tedros Adhanom Ghebreyesus, stated that the new centres will support WHO’s traditional medicine strategy 2014-2023, which aims to support countries in developing policies and action plans to strengthen the role of ayurveda.

The AYUSH ministry revealed that the Jamnagar institute was conferred the status of an Institution of National Importance (INI) by a parliamentary act and another college in Jaipur was designated an ‘Institution Deemed to be University (De novo Category)’ by the University Grants Commission (UGC).

Yoga to be Integrated with Education

Experts feel that Budget 2021 should recognise yoga centres by giving them a strong platform to be carriers of education, training and research in the country. Ms. Shivani Gupta, Founder of Hellomyoga, promotes yoga worldwide by designing educational yoga courses to pass on the heritage of traditional healing to students. She emphasises the importance of these initiatives to promote healthy practices among people, which is the foundation of India’s economy. She stated “My expectation with Budget 2021 is encouragement in the digital integration of yoga and ayurveda courses and programmes, as this will ensure both qualitative and quantitative expansion of the ancient healing science”.

Experts such as Ms. Shivani have also highlighted that yoga should be introduced as a regular activity in schools and universities to enhance value education and promote the importance of self-care. Most schools are trying to engage students in yoga by appointing guest trainers. In November 2020, Madhya Pradesh Chief Minister Mr. Shivraj Singh Chouhan announced that yoga education has been made mandatory in the new education policy and will be imparted in every school across the state.

Wellness Experiences at Home through HomeServices

With the current lockdown, home service providers such as Urban Clap have witnessed 250% growth in massage and spa services in the recent months. These services are priced between Rs. 1,200 (US\$ 16.40) and Rs. 1,700 (US\$ 23.23). Mr. Rahul Deorah, Vice President – Marketing, Urban Company, revealed, "Our spa at-home service has grown significantly since the lockdown with the business back to almost 80% of the pre-covid peak. Mostly, metropolitan cities are driving this growth. There is demand for multiple service packages—stress relief, pain relief, detoxification and other signature therapies."

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Ayurveda at the Top of Immunity Boosting Shelves

Ayurveda is touching every area of our lives for its healing and immunity boosting properties. In January 2021, Eureka Forbes, India's largest water purifier brand, introduced Dr. Aquaguard with Ayurfresh technology that infuses the goodness of seven ayurvedic ingredients in every glass water.

Innovative restaurants are now launching ayurvedic herb-based dishes on their menu. Some restaurants that grabbed headlines were a Kolkata sweet shop that introduced 'immunity *sandesh*'—infused with 15 herbs & spices including turmeric, basil, saffron, cardamom and Himalayan honey; Rooh, a restaurant in New Delhi offering cocktails and mocktails infused with six tastes of ayurveda; Daryaganj, an award-winning chain of fine-dining restaurants offering traditional drinks with jaggery, lemon and turmeric and a cumin-carom seed herbal tea.

FMCG outlets are critical in showcasing Ayurveda products such as herb-infused energy drinks, ayurvedic shakes, herbal powders and juices & immunity boosters. Herbal healthcare manufacturers such as Himalaya Drug Co., Dabur and Kapiva have introduced a range of ayurveda products to its portfolio containing herbs, juices, powders, health tonics and green teas.

The Road Ahead

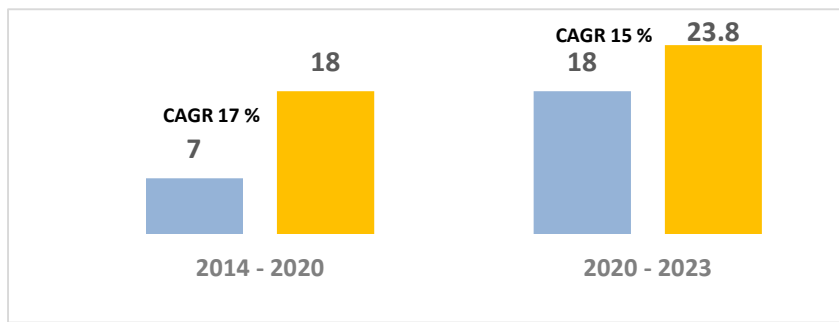
A report by 'Research and Markets' covered a government survey, revealing 45% Indians born between 1982 and 2000 aspire a healthy lifestyle, use fitness apps on their phones and are willing to pay a premium for good health. Millennials prioritising a healthy life is expected to drive sales in the Indian ayurveda market to ~US\$ 10 billion by 2024, from US\$ 4 billion in 2018. Besides fatigue caused by the lockdown, straining work-from-home models and constant fear of infection have boosted the demand for ayurvedic products and wellness packages from domestic and international consumers.

India has the potential to become a health and wellness hub, attracting investments and creating additional jobs. The government has set a target of increasing spending on healthcare from the current 1.3% to 3% of its GDP by 2022. With continuous support from the government and various industries shifting towards a healthy ayurveda-based approach, the Indian wellness & ayurveda market is on its way to touch the lives of millions of people at domestic and global levels.

AAYUSH INDUSTRY

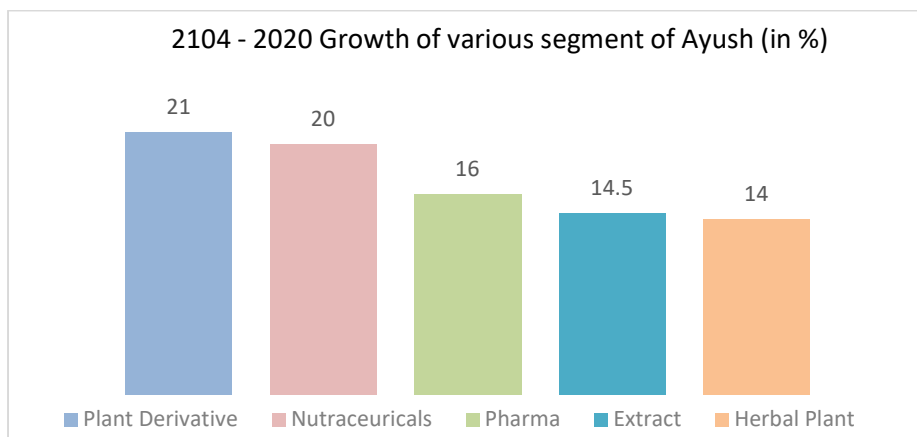
The AYUSH industry is currently undergoing a significant transition. Buoyed by the growing global and domestic demand and enabled by a strong support to regulatory, R&D and backend infrastructure by the Ministry of AYUSH, the sector has shown tremendous growth in the last few years. With the current turnover of US\$ 18.1 billion, the market size of Indian

AYUSH industry as a whole has grown by CAGR of 17 % during 2014-2020 which is expected to reach a size of US\$ 23.3 Bn by 2023 with a CAGR of 15 %



Source - [Ayush Study-Public Policy and Economic-FINAL REPORT 28 OCT.pdf \(ris.org.in\)](#)

There is also a strong enabling environment for AYUSH in most states of India. Several states have industrial/investment policies along with industrial hubs/clusters for AYUSH product manufacturing. States encouragement of raw material cultivation further facilitates value chain integration in the sector. The attractiveness of the sector lies in fact that the trade potential is largely underutilised. It is estimated that these initiatives would bring the total production of medicinal plants in the country to 2.5 lakh tonne where the total potential for medicinal plant cultivation in the country is estimated at 3.19 lakh tonne. Finance Ministry also announced an assistance of Rs. 4,000 crore for promotion of medicinal plant cultivation in the country.



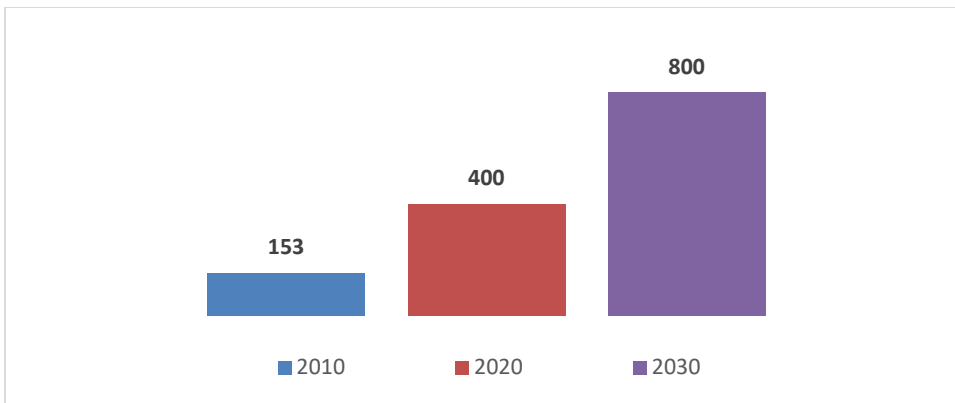
Export Competitiveness

Source - [Ayush Study-Public Policy and Economic-FINAL REPORT 28 OCT.pdf \(ris.org.in\)](#)

India currently utilizes less than 40 per cent of its total export potential of US\$2.2 billion in herbal plants and extracts sector. AYUSH industry in India offers tremendous potential for exports. The estimated export potential for the herbal plants and extracts sector is US\$ 2.2 billion. However, the actual utilization of this potential is much less at present. Current exports of US\$ 830 million account for less than 40 per cent of the estimated potential in the sector. Global ayurvedic market is estimated to be US\$ 4.5 billion in 2020 and is forecasted to reach US\$ 14.9 billion by 2026, growing at an impressive CAGR of 16.4.

Surging global attention towards development of the sector with respect to regulations and standards Though the sector witnessed robust growth in the world healthcare system, the regulatory framework at the multilateral level is not yet reached in a comprehensive manner. In the absence of an effective regulatory mechanism to maintain production standards using commonly formulated Good Manufacturing Practice (GMP), the sector faces numerous challenges including attracting confidence of consumers. Multilateral institutions like World Health Organisation (WHO) have acknowledged the role of traditional medicine but have been emphasising on evolving a regulatory framework. WHO traditional medicine strategies, (2002-05 and 2014- 23), focused on framing norms, technical.

Growth Factors (in Million)



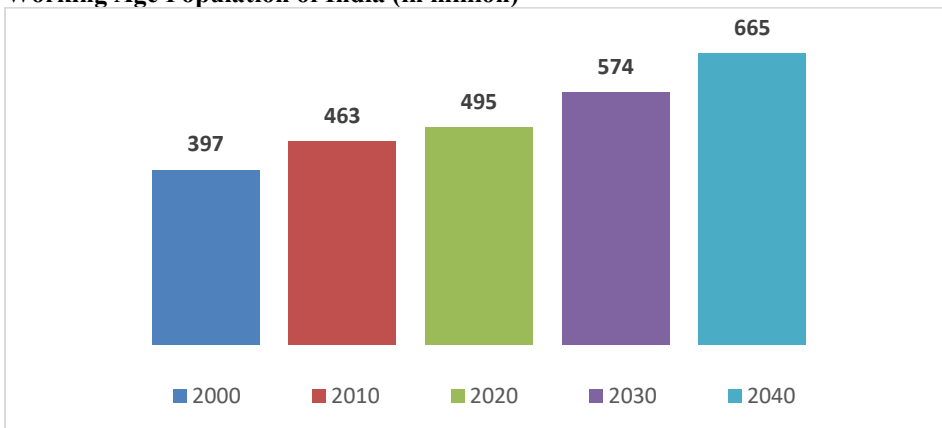
Source - [China vs. India — Where is the momentum in consumer spending? | World Data Lab](#)

India’s middle-class population is more dynamic compared to any other Asian countries; which is expected to grow at CAGR of 8.5 % till 2030. India’s middle-class population in 2010 was 153 million which today has reached a population is 400 million people and is expected to reach 800 million by end of 2030. The middle-class spending share in overall spending in India is at 70% currently which is projected to reach 80% by 2030.

Working Age population

The working age population of India has increased from 397 million in in the year 2000 to 492 million in 2020 and is expected to reach 665 million by the year 2040. The working is busy with little time for physical activity and health prevention is not able to have a healthy dietary habit along with Sedentary lifestyle has lead to increase in prevalence of non-communicable disease and health risk factors like high cholesterol, hypertension, obesity & work related stress has created increased demand for products like preventive healthcare, wellness and holistic health services brought about by change in overall lifestyle habits.

Working Age Population of India (in million)



Source - [wcms_775940.pdf \(ilo.org\)](#),

Growth in discretionary spending

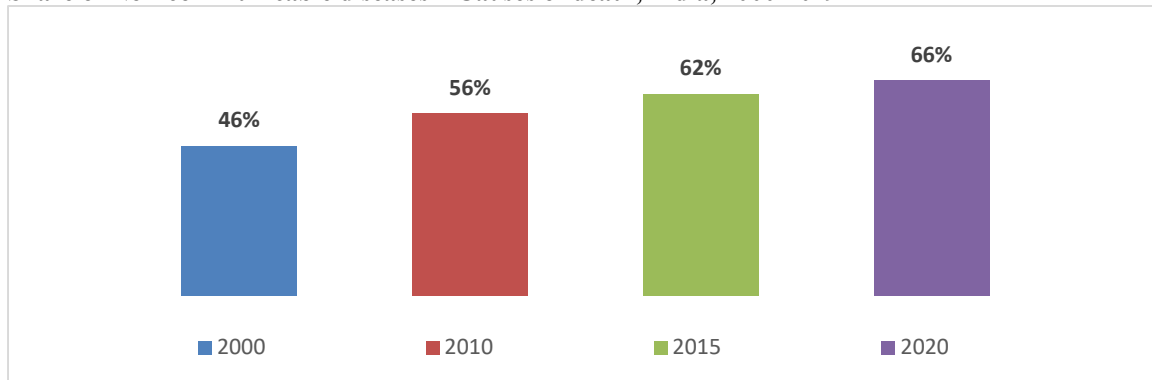
Private final consumption in India grew from USD 1,461 billion in 2015 to USD 2,075 billion in 2019 at a CAGR of 9.2%. This growth has increased household capacity for spending on food, housing, consumer goods, transportation, healthcare, and communication. Personal goods and services are the third largest spending category at 17% of total, whilst food is number one (26% of total), and transport is second (18% of total). Private final consumption expenditure is expected to increase as the economy continues to grow. This growth will continue to fuel greater consumption in the personal goods and services market.

Growing prevalence of lifestyle diseases

The incidence of non-communicable diseases (NCDs) continues to increase due to physical inactivity and unhealthy diet. In 2019, NCDs were responsible for approximately 66% of all deaths in India. Whilst various government and public health

initiatives are attempting to reduce this volume, deaths relating to NCDs are expected to increase in the short and medium terms. This continued growth will drive additional demand for health and wellness products and services.

Share of Non-communicable diseases – Causes of death, India, 2000-2019



Source –

WHO department of health statistics

Among the most common problems:

Diabetes: India is home to about 77 million diabetics (age 20-79) in 2019, behind only China with 116 million. There were 1 million diabetes related deaths in 2019 at the same time It is estimated that 43.9 million people have undiagnosed diabetes. India's number is projected to double to 134 million by 2045.

Source - [This infographics on the burden of diabetes in India is developed from... | Download Scientific Diagram \(researchgate.net\)](#)

Obesity – According to Indian Journal of Community Medicine, India has 135 million obese people. As per WHO defines obesity as excessive fat accumulation that presents several health risks. A Body Mass Index (BMI) over 25 is considered overweight, and above 30, it is considered obese.

A report by National Centre for Biotechnology Information (NCBI) predicted that by 2030, 27.8 percent of all those overweight in the world would be Indians, and in terms of obesity, the 'Indian Obese' would account for 5 percent of the world's population.

According to the NFHS-5 data, several states and Union Territories, including the bigger states/UTs like Maharashtra, Gujarat, Mizoram, Tripura, Lakshadweep, Jammu and Kashmir, and Ladakh, have shown a several fold increase in the percentage of obesity among children below five years of age in comparison to NFHS-4 conducted between 2015 and 2016.

In Maharashtra, the increase of children under 5 years who are overweight is up from 1.9 per cent in 2015-16 to 4.1 per cent in 2019-20. Whereas, in Gujarat, it has increased from 1.9 per cent to 3.9 per cent.

Source - [India's New Health Scare - Obesity, Experts Say We Need To Tackle It On An Urgent Basis | Poshan Maah 2021 \(ndtv.com\)](#)

Hypertension - Hypertension is the most important risk factor for chronic disease burden in India. Studies from various parts of India have reported high prevalence of hypertension. These studies have also reported that hypertension is increasing and there is low awareness and control. Two recent studies have been conducted with uniform tools and nationwide sampling to determine the true prevalence of hypertension in the country. Fourth National Family Health Survey evaluated hypertension in a large population-based sample reported hypertension in 13.8% men vs. 8.8% women (overall 11.3%) aged 15–49 and 15–54 respectively. More representative data in Fourth District Level Household Survey reported hypertension in 25.3% with greater prevalence in men (27.4%) than women (20.0%). This translates into 207 million persons (men 112 million, women 95 million) with hypertension in India. Global Burden of Diseases study reported that hypertension led to 1.63 million deaths in India in 2016 as compared to 0.78 million in 1990 (+108%). The disease burden (DALYs) attributable to hypertension increased from 21 million in 1990 to 39 million in 2016 (+89%). Social determinants of hypertension are important and Indian states with greater urbanization, human development and social development have more hypertension.

Source - [Emerging trends in hypertension epidemiology in India | Journal of Human Hypertension \(nature.com\)](#)

Cardiovascular Disease - In India, cardiovascular diseases were responsible for 43.2% of NCD deaths in 2016 (or about 2.6 million of the total 9.3 million deaths).

According to the Global Burden of Disease, nearly a quarter (24.8 per cent) of all deaths in India is due to CVDs. Even an analysis of the medical certification of cause of death (MCCD) reports points to an increase in the proportion of deaths due to CVD. It went from 20.4 per cent in 1990 to 27.1 per cent in 2004. Case fatality due to CVD in low-income countries, including India, appears to be much higher than in middle and high-income countries. In India, for example, the mean age at which people get the first myocardial infarction is 53 years, which is about 10 years earlier than their counterparts in developed countries.

There is a growing incidence of non-communicable diseases among the elderly. The range of self-reported CVD in those aged 45-59 years varies from 34% in Chandigarh to 14% in Odisha, Chhattisgarh, said the LASI report. In the next age group (60+ years), a majority was diagnosed with CVD in states like Goa 60 %, Kerala 57% to a low of 16% in Nagaland. Chhattisgarh shows a low prevalence among both age-groups.

Numerous studies have also pointed out that CVD remains the number-one threat to women’s health as more women than men die annually due to these diseases.

A Harvard medical school study shows low high-density lipoproteins and high triglycerides appear are the main factors that increase the chances of death from cardiovascular disease in women over age 65.

As per the LASI report, gender differences were evident in cross-state variations. CVD among men was higher in Kerala 45%, Goa 44 % and lower in Chhattisgarh 15%, Meghalaya 16%.

Source - [India’s burden of heart diseases: Study says elderly, women more at risk \(downtoearth.org.in\)](http://downtoearth.org.in)

FUNDING IN HEALTHCARE AND WELLNESS INDUSTRY

Name	Amount raised USD Mn.	Investors	Source
Fitterfly HealthTech Pvt. Ltd.	6.1	Fireside ventures, Venture Catalyst, 9unicorn accelerator fund	https://economictimes.indiatimes.com/tech/funding/fitterfly-raises-3-1-million-in-funding-round-led-by-fireside-ventures/articleshow/82162628.cms
Aurogreen Health Pvt. Ltd. (Breath well-Being)	6.7	3one4 capital, General Catalyst, Scott Shleifer, Accel	https://economictimes.indiatimes.com/tech/funding/breath-well-being-raises-5-5-million-in-funding-led-by-accel/articleshow/85566062.cms
Sugar.fit	10	Endiya Partners, Tanglin Venture Partner	https://www.livemint.com/companies/start-ups/sugarfit-to-raise-10-mn-in-seed-funding-11630659832028.html
Twins Digital Services (I) Pvt. Ltd. (Twin health)	183.5	ICONIQ growth, corner venture, LTS investments, Perceptive Advisors, Sequoia, Sofina, Helena,	https://www.crunchbase.com/organization/twins-digital https://economictimes.indiatimes.com/tech/funding/twin-health-raises-rs-1000-crore-to-scale-its-whole-body-digital-twin-technology/articleshow/86833089.cms
Health ARX Technologies Pvt. Ltd. (BeatO)	8.6	Orios Venture, Merisis Advisors, W health venture, Leo capital, Blume venture	http://nishithdesai.com/ArticleContent/44/4791/Deal-Corner.html
Dr. Mohan’s Diabetes Specialities Centre Pvt. Ltd.	10.2	Lok Capital, Evolvece India fund	https://www.livemint.com/Companies/nVJ0SskcLkBNBT1EK1YkqI/Dr-Mohans-Diabetes-raises-Rs66-crore-in-Series-A-funding.html

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 19 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 19, 116 and 151, 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 Vaidya Sane Ayurved Laboratories Limited and Group Entities as the case may be.

Overview

Our Company is a unique medical service institution that strives to treat chronic ailments like cardiac disease, diabetes, hypertension and obesity with the distinctive outlook of amalgamating technology with traditional healing of Ayurveda. Our approach to treatment using non-invasive, multidisciplinary and innovative therapies which has helped establish us as a dependable option for treating the chronic ailments.

We are a health care provider primarily in the India’s chronic care ecosystem. We provide our healthcare services through Madhavbaug clinics. As on November 30, 2021, we operate 274 clinics across Maharashtra, Madhya Pradesh, Gujarat, Uttar Pradesh, Goa, Karnataka, Delhi and Chhattisgarh. Out of these 52 are company owned and 222 are franchise clinics.

We also operate two cardiac prevention and rehabilitation hospitals in Khopoli and Nagpur respectively.

Currently our network includes:

- 274 Clinics
- 2 Fully equipped Hospital

Vaidya Sane’s Ayurvedic Education And Agricultural Research Trust is providing non invasive medical services through the Khopoli Hospital. Our company has entered into MOU dated April 1, 2019 with Vaidya Sane’s Ayurvedic Education And Agricultural Research Trust for the entire management, medical services and treatments being carried out at Khopoli Hospital. In consideration the trust shall pay our Company 80% of the total fees/ amount received by it under this arrangement on monthly basis after providing for all reasonable expenses and applicable taxes.

We use clinic based health care delivery model along with tele-medicine to ensure easy accessibility to patients. The clinics don’t require heavy capital expenditure thus the model can be easily scaled thereby increasing penetration.

We have a patient-centric approach which is reflected in our motto ‘Whatever it Takes’, meaning we leave no stone unturned to ensure that the treatment we offer is customised to best suit each patient so that they stay compliant for the entire treatment period. Apart from treatments, as a means of raising awareness about disease and its associated complications, we also conduct a number of workshops, support events etc. with a singular objective of helping patients manage their chronic non-communicable conditions more effectively.

We also launched research based disease specific diet kits in the year 2016 for aiding our healthcare programmes.

At our clinics and hospitals, we use modern diagnostics, diet and physiotherapy and advanced Ayurveda to provide Heart disease, Diabetes, Hypertension & Obesity reversal treatments to our patients. This helps in improving the exercise tolerance of patients - improvement in grade of symptoms, improvement in maximum oxygen uptake, reduction in HbA1c, and metabolic equivalents (METs).

Madhavbaug offers 360 degree ecosystem to it’s patients which involves

Assessment & Screening Using Modern Diagnostics: It refers to diagnostic tools that provide accurate & objective results like ECG, Stress Test, 2D Echo, Blood Investigations, CT Angiography etc.

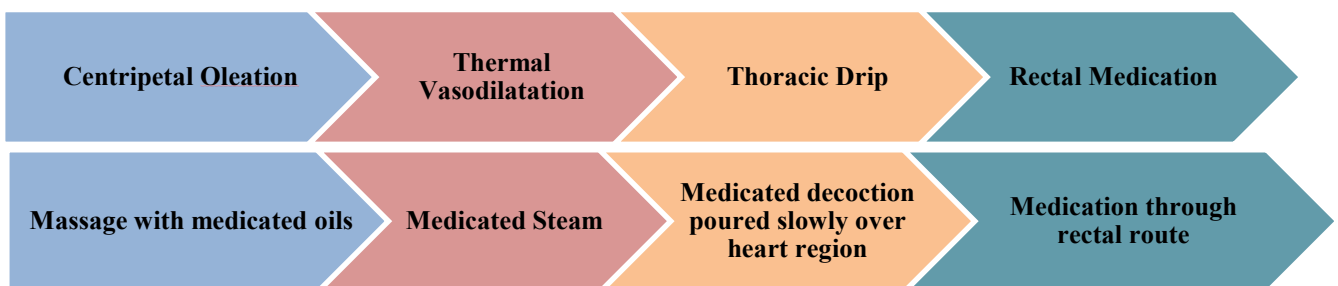
Standardised Medicine: Clinically researched herbal medicines which are prescribed and dispensed from clinics. We use Clinic Management System (CMS) to implement Standardised Medicine planning using CMS algorithm.

Standardised Therapies: All our therapies are thoroughly researched for their effectiveness and are standardised across all our clinics through continuous learning and development through an App for our therapists and doctors.

Continuous Monitoring: Patients vitals are monitored on continuous basis through CMS and MIB (Madhavbaug Information Backbone) Pulse Application.

Diet & Physiotherapy: Researched diets, tested lifestyle modifications techniques, stress management, physiotherapy and patient follow-up and compliance are used to complement the therapies based on Advanced Ayurveda.

Advanced Ayurveda: It refers to use of ayurvedic therapies that are clinically researched and have shown objective results. Thus all products at Madhavbaug are centred around ayurvedic therapies under the umbrella brand of Sampurna Hriday Shudhikaran (SHS), which is a clinically researched herbal therapeutic procedure consisting of four stages:



We provide various treatment programmes at our clinics, these include:

Treatment Programs:

- Heart Failure Reversal Therapy (HFRT)
- Ischemia Reversal Programme (IRP)
- Endo protector

Primary Prevention Programs:

- Comprehensive Diabetic Care (CDC)
- Obesity Management (OMP)
- Lipid Management (LMP)
- Hypertension Management Program

Secondary Prevention & Rehabilitation Programs:

- Plaque Stabilization Therapy (PST)
- Diabetic Complication Management (DHCM)
- Hypertensive Complication Management (HCM)
- Total Heart Revitalization Therapy (THRT)
- Blockage Management Program

Hospital Based Treatments (Residential):

- Intensive care cardiac programme
- Risk reduction programme
- Critical Care Cardiac Programme

To make sure that the treatments have the desired effect, rigorous research is conducted by our team on every aspect of therapy. Many of their researches are published in leading scientific journals and presented at international conferences. Our promoter has been involved in over 50 research publications. Some of these researches include:

S.No.	Titles Research Articles	Journal Name	Publication Year
1	Use Of Reverse Diet Kit As A Treatment To Regress Atheroma In A Known CAD Patient: A Case Report	Journal Of Ayurveda And Integrative Medicine	05-08-2021
2	Effect Of, Low Calorie,High Anti Oxidant Diet On Progression Of Coronary Artery Dieases A Single Case Experimental	Interventional Cardiology Journal	20-07-2021
3	Euglycemia Restored T2dm Patients Relapse Status After One Year Follow Up: An Observational Study	Japi (Journal Of The Assocaition Of Physicians Of India)	10-07-2021
4	Impact Of Panchakarma Therapy And Diet Modification On Lipid Level On Known Dyslipidemia Patients	Journal Of Advances In Medicine And Medical Research	21-04-2021
5	Effectiveness Of Comprehensive Diabetes Care (Cdc) In Diabetic Patients: An Observational Study.	Journal Of Diabetes Research And Clinical Metabolism	14-08-2020
6	Role Of High ORAC Value, Portion Controlled Diet On Progression Of Atherosclerosis In Known CAD Patient: A Single Case Experimental Study	Journal Of Cardiovascular Diseases & Diagnosis	08-04-2020
7	Effectiveness Of Panchkarma Based Heart Failure Reversal Therapy In Patients Of Heart Failure With Diabetes Mellitus: An Observational Study	Journal Of Cardiovascular Disease Research	01-04-2019
8	Evaluation Of The Liver And Renal Function In Patients Of Chronic Heart Failure Based On The Body Mass Index: A Retrospective Study	European Journal Of Biomedical And Pharmaceutical Sciences	20-02-2019
9	Effect Of Comprehensive Diabetes Care On Glycemic Control With Reduction In Dependency Of Oral Hypoglycemic Medicines In Pre-Obese Diabetic Patients: A Retrospective Study	International Journal Of Current Research And Academic Review	07-02-2019
10	Efficacy Of Ischemia Reversal Program (IRP) In Elderly Patients Of Ischemic Heart Disease With Known History Of Hypertension	Asian Journal Of Cardiology Research	18-12-2018
11	Correlation Between Change In Blood Pressure And VO2max In Indian Patients Of Ischemic Heart Disease After Ischemic Reversal Program Therapy	Research In Cardiovascular Medicine	10-12-2018
12	To Study Efficacy Of Blood Pressure Management Program (BPMP) In Male Elderly Patients With Known Case Of Hypertension: An Observational Study	Cardiology And Cardiovascular Research	10-12-2018
13	To Study Efficacy Of Comprehensive Diabetes Care (CDC) Management Program In Type II Diabetic Obese Patients: An Observational Study	International Journal Of Ayurveda And Pharma Research.	Jun-18
14	Impact Of Change In Maximum Aerobic Capacity In Patients With Coronary Artery Disease: 36 Months Follow Up	Journal Of Cardiovascular Disease And Diagnosis	26-10-2016
15	Correlation Between Apob/Apoai Ratio And Dyslipidemia In Indian Chronic Heart Failure Patients	European Journal Of Pharmaceutical & Medical Research	10-10-2016
16	Effect Of The Sampurna Hriday Shuddhikaran (SHS) Model In Heart Failure Patients In India: A Prospective Study	British Journal Of Medicine & Medical Research	01-10-2013
17	Sampurna Hriday Shuddhikaran: An Interventional Health Model To Improve Quality Of Life In Chronic Heart Failure	US-China Medical Science	01-10-2013
18	Sampurna Hriday Shudhikaran (SHS): A Novel Noninvasive Herbal Procedure To Improve Effort Tolerance In Chronic Heart Failure	4th Asian Preventive Cardiology And Cardiac Rehabilitation Conference	01-10-2013

Research based Diet Kits

We launched research based disease specific diet kits in the year 2016 for aiding our healthcare programmes. These kits aid in the recovery and rehabilitation of our patients.

Reverse Diet Kits: It is designed on role of diet in reversal of heart diseases. This is a 4 week diet kit which comprises 4 weekly diet boxes and are pre portion products. It includes breakfast, lunch, dinner options, soup and early morning option. The kit is specially designed for blockages and to improve blood flow and it contain highest anti-oxidant capacity, which will help reverse disease.

Swasthyam Recepte Book: We also launched swasthyam recepte book. This helps our patients in managing the diets on their own in a scientific manner and to aid in the recovery and rehabilitation of our patients.

On 16th January 2022, Madhavbaug (Vaidya Sane Ayurved Laboratories, Ltd.) launched its book 'Live without Diabetes' at the auspicious hands of hon. Finance Minister Dr. Bhagwat Karad.

Source: <https://www.prnewswire.com/in/news-releases/madhavbaug-s-book-live-without-diabetes-launched-by-hon-finance-minister-state-dr-bhagwat-karad-810445468.html>

Gobipi Diet Kit: This kit is designed to reduce or maintain weight and reduce blood pressure. This is a 4 week diet kit which comprises 4 weekly diet boxes and are pre portion products. It includes breakfast, lunch, dinner options, soup and low sodium salt. This kit is mainly designed for high blood pressure patients and helps reduce blood pressure medication and also helps in normalising the levels.

We have also launched online portal “www.madhavbaugwellness.com” for new wellness products such as Madhav Shakti Atta, apple cider vinegar, prosix dosa mix, nutriboom ghavan mix, digy smooth moong daliya, lentigrain idli mix, Insta health thalli peeth, power mix muthiya aata, diapram kadha, arj kadha, groundnut oil, amla lichi syrup, etc. and many more.

Our Competitive Strengths

Combination of modern healing methods and ancient natural practices

Most organizations either adopt modern healing methods or ancient natural practices, but we have stood out by creating a successful concoction of the two. We believe in the marriage of modern technology with the power of ancient Ayurveda. Our diagnostic methods are backed by the latest technological equipment, while our therapy methodology is deep-rooted in Ayurvedic treatment methods. The treatments offered by Madhavbaug are natural, non-invasive, affordable and suitable for almost everyone. These come as a boon for the people who are unable to undergo surgery due to health complications and/or financial constraints.

Affordable Treatments

The first and foremost goal of Madhavbaug is to reduce the cardiovascular health related burden and improve the overall health of society. The affordable and non-invasive nature of our treatments makes them accessible to all sections of society, enabling even those with meagre means to get help for their condition.

Experienced Leadership and well-trained team:

Over the 15 years of existence, Madhavbaug has successfully established itself as a dependable option for treating heart ailments – treatments that don't just heal ailing hearts but strengthen them. We have a team of dedicated doctors from fields of modern medicine, Ayurveda, diet and physiotherapy committed to the cause of providing quality chronic lifestyle disease treatment. Our healthcare set-up is being run by a team of professionals lead by Managing Director, Dr. Rohit Madhav Sane. Our Managing Director has completed his MBBS from Dr. Babasaheb Ambedkar Marathwada University, Aurangabad in the year 2001. He has also completed his Fellowship in Cardiac Rehabilitation (FCR) from Apollo Hospital. He is having experience of more than 15 years in field of cardiology. He founded Madhavbaug Clinics & Hospitals in India with the concept that ancient Indian medical science, Ayurveda, can play a big role in chronic cardiac disease. The top management is supported by a young and able team. Our company has also invested in a complete learning management system (LMS) which ensures continuous training & skill development. The LMS consists of an integrated Training App & Physical training session. The Training app helps the Core Medical Team to interact with the on ground team of doctors & therapists on a daily basis.

Technology Driven:

Our company has an in-house IT platform which has helped the company increase its efficiency by coming up with innovations. We also have a training app which helps Core Medical Team to interact with on ground team of doctors & therapists on a daily basis.

Clinic Management System: Madhavbaug has an MIS system which helps company to gather vital information like sales number, number of footfalls, number of therapies, medicine, kits and consumables inventory, etc of clinics and hospital. All information are updated real time.

MIB Pulse App – We have a MIB Pulse App (+100K Downloads), which was developed by a third-party vendor. It calculates the risk of getting a heart attack by considering risk factors that a person has. It also gives tips on how to reduce & manage the risk.

MIB Pulse is a simple chat-based application that will connect the patients with our team of doctors and help the patients resolve the problems with their expertise. This app is not limited to Madhavbaug's patients or people associated with Madhavbaug. It is for anybody who is in need of medical assistance. It is a FREE app for everybody. Madhavbaug is taking a step forward to reach out and help anybody who's in need of medical assistance.

Madhavbaug POWER MAP

Power MAP is a medical analytics service by Madhavbaug built for Madhavbaug Doctors to help them reverse Chronic cardiac disease of their patients effectively. Its is in the final stages of development and will be launched soon.

It aims to provide in depth medical analysis of a patient's current Health status and its comparison with historical data to provide a complete picture of a patients Disease Reversal Journey through interactive visualizations and medical intelligence capabilities built within the platform. This is achieved by seamless integration of hundreds of data points flowing through MIB PULSE, a health monitoring app built for patients which connects the patients with the doctor and a robust clinic management system.

Union Minister for Road Transport and Highways Shri Nitin Gadkari, on 15th January 2022, inaugurated Madhavbaug's (Vaidya Sane Ayurved Labs Ltd), Power MAP, in a ceremony that was held digitally.

Source:http://timesofindia.indiatimes.com/articleshow/88952883.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Our Business Strategy

Our key strategic initiatives are described below:

Scalable and Standardized Clinic Design

We use clinic-based health care delivery model along with tele-medicine to ensure easy accessibility to patients. The clinics don't require heavy capital expenditure thus the model can be easily scaled thereby increasing penetration. All Clinics are going to be modelled as per the Standard Design Template. This would ensure that all Madhavbaug Clinics have the same look & feel and would also help in giving a pleasant & consistent experience to the patients.

Strengthen and Expand Clinic Network

As a part of our future growth strategy, we propose to expand and strengthen our existing clinic network. We will position new clinics in strategic locations in Maharashtra and expand Clinic Network in Madhya Pradesh, Uttar Pradesh and Gujarat. We further intend to Open Franchisee OPD clinics in Tier II & III cities to increase reach. We further plan to expand Khopoli and Nagpur Hospitals.

Increase Product Offering:

We have Launched products focussing on patients at risk of CVD (Cardiovascular disease) like diabetic & hyper-tension and obese patients. The recent addition to treatment services has been a complete knee pain management services both online and offline, for the elderly patients and also introduce new facilities for elderly patients like home health care.

Invest in Marketing:

Most of the marketing in last 3 years was done via educational talk shows in radio, TV and conducting community health programme for elderly people. Madhavbaug is reinventing its marketing strategy by increasing focusing on both above the line and below the line marketing. We further intend to invest in an integrated marketing campaign to improve visibility and awareness.

Madhavbaug has Multi Channel approach towards lead generation the key components of which are:

Events : The company conducts multitudes of events like health camps, workshops & lectures. Some of the events like “diabetes harega – Madhya Pradesh jeetega”, “hriday sangini” & “madhumeha mukti sohola” has been well received by the community and has not just helped in raising awareness about the disease management but has also helped in creating brand awareness.

Print: Health events are regularly conducted these events are targeted to addressable audience in cities which has presence of our clinics. Promoted through regional print media these events help raise brand awareness and brings in patient footfall and improve conversion ratios.

Radio & Television: Interactive Q&A sessions are conducted on health talk shows in regional FM channels where in patients questions are answered by doctors and patients are promoted to give a missed calls on designated numbers. Similar talk shows are also conducted in regional TV channels. We have promoted our brand on regional vernacular media channels as such this helps us in effectively using of our resources in targeting patients in vicinity of our clinics.

App based & Online media: Madhavbaug has launched App’s such as ‘Heart Health Meter’ & “Save My Heart” through which patients health vitals are regularly monitored these are preventive health app through which regular exercise videos are shared. Direct online booking forms are embedded on website and company’s social media webpage through which a patient can easily book an appointment and the lead is passed on to the nearest clinic for further follow-up.

Empanelment with Insurance Companies

We have approached various health insurance companies to empanel our hospitals and clinics for Mediclaim eligibility. This will result in reducing the financial burden on our patients and will enable them in making the decisions regarding the treatment.

OUR SERVICES AND PROCESSES

We provide various treatment programmes at our clinics, these include:

Treatment Programmes:

- Heart Failure Reversal Therapy (HFRT)
- Ischaemia Reversal Programme (IRP)
- Endoprotector

Primary Prevention Programmes:

- Diabetic Heart Care (DHC)
- Obesity Management (OMP)
- Lipid Management (LMP)
- Hypertensive Heart Care (HHC)

Secondary Prevention & Rehabilitation Programmes:

- Plaque Stabilization Therapy (PST)
- Diabetic Heart Complication Management (DHCM)
- Hypertensive Heart Complication Management (HCM)
- Total Heart Revitalization Therapy (THRT)
- CAD Complication Management (CADCM)

Hospital Based Treatments (Residential):

- Intensive care cardiac programme
- Risk reduction programme
- Critical Care Cardiac Programme

Operational Process



1. To attract patients using Integrated campaigns involving Print ads, TV ads, Radio ads, Digital marketing Outdoor ads, & Outdoor Camps
2. For engagement various tools like Q&A sessions, Video Blogs, Exercise Workshops, “Health Heart Meter “App are used.
3. Once the patient is engaged they are educated about CVDs. The Importance of screening (diagnosis) in tackling the problem is explained to the patient.
4. Post the screening the results & its implications are explained. The various options of treatments (if required) & packages available are also explained & the patient may choose to enrol into one of them
5. Once the patient is enrolled the nurturing process is initiated wherein patient improvement is tracked, medicine reminders & tele- medicine support is given among other things

Plant and Machinery

We do not own any major plant and machinery.

Technology

Our company has an in-house IT team which has helped the company increase its efficiency by coming up with innovative initiatives. We also have a training app which helps Core Medical Team to interact with on ground team of doctors & therapists on a daily basis.

Clinic Management System: Madhavbaug has an MIS system which helps company to gather vital information like sales number, number of footfalls, number of therapies, medicine, kits and consumables inventory, etc of clinics and hospital. All information are updated real time.

Heart Health Meter App – We have a Heart Health Meter App (+50K Downloads), which was developed by a third party vendor. It calculates the risk of getting a heart attack by considering risk factors that a person has. It also gives tips on how to reduce & manage the risk.

Centralised Stress Test: Stress Test data collected at clinics is beamed to a central back office where a team of doctors interprets it & sends the results back to the clinics. Medicines for the same is also prescribed through tele-medicine.

MIB Pulse App – We have a MIB Pulse App (+100K Downloads), which was developed by a third-party vendor. It calculates the risk of getting a heart attack by considering risk factors that a person has. It also gives tips on how to reduce & manage the risk.

MIB Pulse is a simple chat-based application that will connect the patients with our team of doctors and help the patients resolve the problems with their expertise. This app is not limited to Madhavbaug’s patients or people associated with Madhavbaug. It is for anybody who is in need of medical assistance. It is a FREE app for everybody. Madhavbaug is taking a step forward to reach out and help anybody who’s in need of medical assistance.

Features of the Application:

Medical Assistance: Connected Medical Assistance of Doctors to give our patients appropriate solution through live chat and vitals monitoring

Diet & Exercise Monitoring: Diet and exercise monitoring to get maximum benefits out of a Healthy lifestyle management.

Staying Fit: Daily Health coaching through video based Diet and Exercise sessions to maintain a healthy life & improve your lifestyle

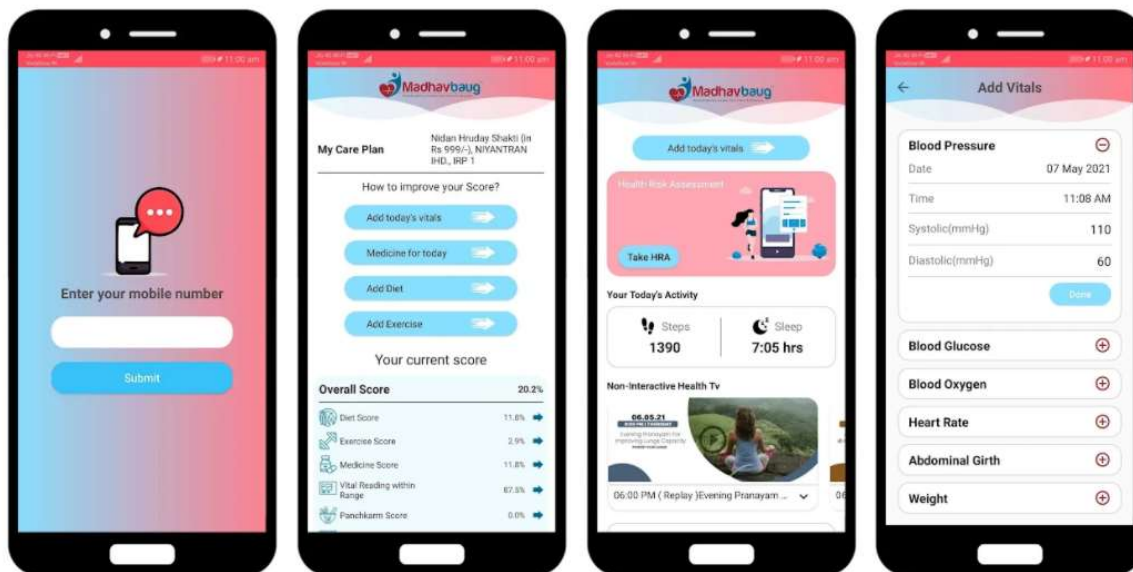
Health Monitoring: InApp chat based close Health Monitoring through Vital parameters

Expert Medicine management support: Medicine reminders, Realtime Medicine tapering advise of connected Doctors

Other features include:

- Disease specific customised online exercise sessions
- Online diet workshops
- Regular vital monitoring
- Online Medicine tapering/monitoring
- Online sales of nutraceutical medicines and dietary supplements
- Online patient education

The MIB Pulse App is easily available on the app store for all the android and iOS devices. It is easy to download and use.



Madhavbaug POWER MAP

Power MAP is a medical analytics service by Madhavbaug built for Madhavbaug Doctors to help them reverse Chronic cardiac disease of their patients effectively. Its is in the final stages of development and will be launched soon.

It aims to provide in depth medical analysis of a patient's current Health status and its comparison with historical data to provide a complete picture of a patients Disease Reversal Journey through interactive visualizations and medical intelligence capabilities built within the platform. This is achieved by seamless integration of hundreds of data points flowing through MIB PULSE, a health monitoring app built for patients which connects the patients with the doctor and a robust clinic management system.

With an easy to use interface and interactive visualizations, Doctors can understand a patient’s disease status at a glance and also key in important medical parameters observed by them to quickly create PHR records which makes their practice paperless, hassle-free yet highly effective.

The Power MAP has the capabilities to integrate various medical services necessary for a successful medical practice like Pathology and other investigation reports,

Madhavbaug | Month: 3 Month

PATIENT ANALYSIS | Registration: 52/322 | Mr. Mayur Belgaonkar | Age : 28 Years | CDC :1

Phone no. : +91 9090909090 | Starting weight : **76 Kg.** | End weight : **70 Kg.**
 Name : **Dr. Suhas** | Starting RBS : **120** | End RBS : **101**

Medicine

Ayurvedic	Allopathic
Diapram Kadha	Biguinides Tapered 100%
CAP Glynuma	Sulphonylurease Tapered 100%
NKG Chuma	DPP4 inhibitors Tapered 50%
BAH Capsules	Alpha Glucosinidase Inhibitors Tapered 50%
Glydor Capsules	SGPLT2 Inhibitors Tapered 50%

Exercise: Steps 5823 | **Calories**: 1500 Kcal | **Adherence**: 52 % | **Sleep**: 7 hrs.

Case Paper : PDF file | Percentage of reversal: 70% | NPS | Patient Perception | Panchakarma adherence

CGMS | **RBS** | **Weight**

TIMELINE

- 12-01-1996: App Download
- 11-01-1996: Clinic Visit
- 10-01-1996: Case Paper (View List)
- 09-01-1996: Care Plan (View List)
- 08-01-1996: Vitals (View List)
- 07-01-1996: Panchakarma

Care Plans

Care Plan Name	Care Plan Status
OBESITY CARE PLAN 1	Enrolled

FOLLOW UP

Date: 1-July-2020 | Vital: [] | Remarks: [] | Edit

Collaborations

Our Company has not entered into any technical or other collaborations.

Infrastructure Facilities

We are well equipped with computers, laptops and internet at our offices, clinics and hospitals. 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.

Each clinic is equipped with multiple diagnostic equipment which include:

- Stress Test Machine
- ECG Machine HBA1C Machine
- Ambulatory Blood Pressure Machine
- Lipid Test Analyser
- Transcutaneous Electrical Nerve Simulation Device
- Controlled Glucose Monitoring Device
- Automated External Defibrillators
- Other accessories

Utilities

Power

There is no major power requirement in our business.

Manpower

Our Company is committed towards creating an organization that nurtures talent. We provide our employees an open atmosphere with a continuous learning platform that recognizes meritorious performance.

The following is a department-wise break-up of our employees as on the date of the Prospectus:

Sr. No.	Category	Total
1	Senior Management	14
2	Management	61
3	Back Office	10
4	Depot	12
5	Clinic Employees	219
6	Doctors	79
7	Hospital Employees	199
8	Camp Employees	6
	Total	600

The above table does not include Clinic staff, doctors and other employees working with our franchisees.

Competition

We have created a niche for ourself in healthcare delivery space/industry in which we operate our industry is organised and highly competitive. competition with hospitals, clinics, diagnostic chains and dispensaries of varying sizes with different specialties are on basis of affordability, service offering, quality of healthcare professionals, facilities, brand reputation & patient satisfaction. Some of our competitors are well entrenched privately owned multi-specialty tertiary care hospitals chain having pan India presence we also have competition from chain of clinics and health-tech startups which offer services like Diabetes Reversal this chain of clinics and startup's are well funded and has ability to scaleup rapidly.

Approach to Marketing and Marketing Set-up

Most of the marketing in last 3 years has been an subtle effort of creating awareness on treatment offered by us and our brand building exercise which was done via educational talk shows in regional radio, TV and conducting community health programme for elderly people these talk shows are attended to by our doctors wherein a live Q&A session is conducted for patients by which a effort is made to address the concerns of patients. Madhavbaug is reinventing its marketing strategy by increasing focusing on both above the line and below the line marketing. We further intend to invest in an integrated marketing campaign to improve visibility and awareness. We are also focused on Search Engine Optimizations (SEO)

services and social media marketing and will further strengthen the same to increase our business. For more details of amount spent on marketing during last 3 years and our proposed spent from the Net Proceeds, please refer to the section “Objects of the Issue” beginning on page 58 of the Prospectus.

Capacity and Capacity Utilization

Our Company is engaged in the service sector and hence capacity and capacity utilization is not applicable to us.

Export Possibilities & Export Obligation

Currently, we do not have any outstanding export obligations.

Property

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

Description of Property	Purpose
Fl. 5 & 6, 1047, Shriram Bhawan, Shukrawar Peth, Pune – 411002, Maharashtra, India	Registered Office
Survey No. 2, Patwari Halka No. 63, Mouza Salai Khurd, Taluka Katol, Nagpur	Cardiac prevention and rehabilitation hospital at Nagpur

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

Description of Property	Lessor	Purpose
Plot Nos. 89/6 Near Mack Petrol Pump, Kalote Rayate, Khalapur, Maharashtra 410202	Vaidya Sane Ayurvedic Education & Agricultural Research Trust	Cardiac prevention and rehabilitation hospital at Khopoli
201 B, Bhoomi Velocity, Road No. 23, Above ICICI Bank, Wagle Estate, Thane (West), Thane – 400604, Maharashtra, India	Dr. Rohit Sane	Office Address where books of account and papers are maintained
701, 7th Floor, Ishan Building, 2 Gokhale Road, Naupada, Thane West, Thane – 400602, Maharashtra, India	Dr. Rohit Sane	Administrative Office

Intellectual Property

For the details on the Intellectual Property, please refer to section “Government and Other Approvals” on page 163.

Insurance

Our operations are subject to hazards inherent in our facilities such as risk of equipment failure, fire, flood and other force majeure events, including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We may also be subject to product liability claims if the products that we manufacture are not in compliance with regulatory standards and the terms of our contractual arrangements. We maintain insurance policies that we believe are customary for companies operating in our industry. Our insurance policies include directors and officers liability insurance, standard fire and special perils policy, burglary policy, staff group health policy, sexual harassment policy and vehicle insurance. Our insurance policies may not be sufficient to cover our economic loss. See “Risk Factors – Internal Risk Factors – Our insurance cover may not adequately protect us against all material hazards and accidents.” on page 31.

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 163. 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.

INDUSTRY SPECIFIC REGULATIONS

Laws Governing the Qualification /Practice and conduct of Professionals

Indian Medical Council Act, 1956 (“IMC Act”)

The IMC Act, and the rules thereunder, provide for the maintenance of a medical register in India and primarily deals with the recognition of medical degrees and the grant of licenses to practise the medical profession in India. The Medical Council of India and respective State Medical Councils are bodies that are set up under the IMC Act to monitor and regulate the registration of medical professionals in India. The Medical Council of India and respective State Medical Councils perform various functions including, the recognition of medical qualifications granted by medical institutions in India, the registration of medical practitioners with recognised medical qualifications, and the establishment and maintenance of uniform standards for medical education in India.

Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002 (“IMC Regulations”)

The IMC Regulations set out the code of medical ethics to be followed by medical practitioners in the conduct of their profession. Only a medical practitioner having qualifications duly recognised by the Medical Council of India and registered with the Medical Council of India or any respective State Medical Council is permitted to practise the modern system of medicine or surgery. The IMC Regulations prescribe the duties of medical practitioners which inter alia, include the requirement to maintain good medical practice, maintain medical records, display registration numbers, and use of generic names of drugs. Among various restrictions imposed under the IMC Regulations, a medical practitioner is restricted from directly or indirectly, either by himself / herself, or through a group of physicians or institutions or organisations soliciting patients.

Indian Medical Degree Act 1916

THE INDIAN MEDICAL DEGREES ACT, 1916 (ACT No. VII of 1916) (Passed by the Indian Legislative Council) (Received the assent of the Governor-General on the 16th March 1916) An Act to regulate the grant of titles implying qualification in Western medical Science and the assumption and use by unqualified persons of such title. WHEREAS it is expedient to regulate the grant of titles the grant of titles implying qualification in western medical Science and the assumption and use by unqualified persons of such titles, it is hereby enacted as follows.

The Indian Medical Association (IMA)

The Medical Association is a national voluntary organisation of physicians in India, which looks or cares after the interest of doctors or the wellbeing of the community at large. It was established in 1928 as the All India Medical Association, renamed "Indian Medical Association" in 1930. It is a society registered under The Societies Act of India.

Indian Nursing Council Act,1947 (“Nursing Act”)

Under the Nursing Act, nurses, midwives or health visitors are required to hold recognised qualifications (provided in the Schedule to the Nursing Act) for enrolment in the state register. Further, states are entitled to establish state councils to regulate the registration of nurses, midwives or health visitors in the relevant state. The Nursing Act also empowers the executive committee of the Indian Nursing Council, constituted under the Nursing Act, to appoint inspectors to inspect any institution which is recognised as a training institution granting any recognised qualification or recognised higher qualification under the Nursing Act.

The National Medical Commission Bill, 2019

The Medical Council of India (MCI) is established under the Indian Medical Council Act, 1956 in order to maintain standards of medical education, give approval to establish medical colleges, medical courses, and recognise medical qualifications. The MCI is also responsible for the regulation of medical practice, including registering doctors in an All India Medical Register. States have their own laws that establish a state medical council to regulate matters related to ethical and professional misconduct of medical practitioners.

The National Medical Commission Bill, 2019 was introduced in Lok Sabha on July 22, 2019. The Bill repeals the Indian Medical Council Act, 1956.

Clinical Establishments (Registration & Regulation) Act, 2010 (“Clinical Establishments Act”)

The Clinical Establishments Act inter alia, regulates all clinical establishments in India, and prescribes certain minimum standards for facilities and services provided by such establishments. The Clinical Establishments Act mandates the registration of therapeutic and diagnostic clinical establishments, across all recognised systems of medicine, with the exception of clinical establishments run by the armed forces. In accordance thereof, the registering authority regulates policy formulation, resource allocation and determination of standards of treatment provided by clinical establishments. This apart, the Clinical Establishments Act lays down guidelines for treatment of common diseases, procedures for registration of such establishments, and also mandates a council body to periodically review the minimum standards followed by clinical establishments.

The Drugs Control Act 1950

The **Drugs Control Act, 1950** is an Act of the Parliament of India which regulates the pricing of drugs. It allows the government to fix the maximum price of any drug. The Act allows the Government of India to control the sales, supply and distribution of any drug in India. The government can set maximum selling price, maximum quantity to be possessed by dealer and maximum quantity to be sold to one person. The government can impose various restriction of sale. The Act require any retailer to give a cash memorandum to the customer for any purchase above ₹5, and in case the purchase is below ₹5 the retailer must give a memo if the customer demands. The violation of the Act carries a maximum of 3 years with or without fine. In case of corporate violators, every director, manager, secretary, agent or other officer or person concerned with the management may be prosecuted unless he/she the offence occurred without his/her knowledge. The investigating officer must have the rank of Inspector in the police.

Drugs and Cosmetics Act, 1940 (“Drugs and Cosmetics Act”) and Amendment Act 1982

The Drugs and Cosmetics Act, and the rules thereunder, regulate the import, manufacture, and distribution of drugs in India. Mandating the licensing of import, manufacture, and distribution of drugs in India, the Drugs and Cosmetics Act has been promulgated with a view to ensure that all drugs and cosmetics sold in India are safe, effective, and conform to prescribed quality standards. Apart from having elaborate provisions to check the production and distribution of spurious and substandard drugs in India, the Drugs and Cosmetics Act also prescribes the framework governing the regulatory control over the manufacture and sale of drugs. Drugs that may be sold by a pharmacy or a hospital are classified according to the nature of the license granted, details of which are provided as schedules in the Drugs and Cosmetics Act. The Drugs and Cosmetics Act also prescribes various punishments for contravention of its provisions.

Narcotic Drugs and Psychotropic Substances Act, 1985 (“NDPS Act”)

The NDPS Act, and the rules thereunder, have been enacted to prohibit persons from producing, manufacturing, cultivating, possessing, selling, purchasing, transporting, storing, and / or consuming narcotic drugs or psychotropic substances. Under the provisions of the NDPS Act, a Narcotics Control Bureau has been set up to monitor the usage of narcotic drugs and psychotropic substances. Chapter IV of the NDPS Act details various offences and sets out the punishment for noncompliance. In accordance thereof, failure to abide with certain provisions of the NDPS Act may be punishable with imprisonment of up to 10 years, which may extend to 20 years. Additionally, offenders may also be punishable with fine, which may extend to ₹0.2 million.

Pharmacy Act, 1948 (“Pharmacy Act”)

The Pharmacy Act, and the rules thereunder, have been enacted to regulate the profession of pharmacy in India. The Pharmacy Act inter alia, sets out the conditions to be registered as a pharmacist in India. These conditions include the requirement for a person to hold a degree or diploma in pharmacy or pharmaceutical chemistry, or a chemist and druggist diploma awarded by an Indian university or State Government, as the case may be. Additionally, all pharmacists registered under the Pharmacy Act are required to be engaged in the compounding of drugs in a hospital or dispensary, or other place in which drugs are regularly dispensed on prescription of medical practitioners for a total period of not less than five years, prior to being registered. In order to carry out the profession of pharmacy, pharmacists are required to have their names duly entered in the register maintained by the Central Council.

Sale of Goods Act 1930

IPC Section 274 (Adulteration of Drugs) Sec 275 (Sale of Adulterated drug) Sec 276 (Sale of Drug as different drug of preparation), Sec 284 (negligent conduct with regard to poisonous substances)

Medical Termination of Pregnancy Act, 1971 (“MTP Act”)

The MTP Act has been enacted to regulate the termination of certain pregnancies by registered medical practitioners in India. The MTP Act inter alia, sets out the circumstances under which pregnancies may be terminated by registered medical practitioners, and mentions places where such termination of pregnancy may be undertaken. Under the provisions of the MTP Act, the termination of pregnancies by persons who are not registered medical practitioners is a punishable criminal offence. This apart, the MTP Act also protects registered medical practitioners from legal proceedings arising out of any damage caused, or likely to be caused by any act done or intended to be done in good faith.

Pre-Conception and Pre-Natal Diagnostic Techniques Act, 1994 (“PNDT Act”)

The PNDT Act, and the rules thereunder, have been enacted with the objective of stopping female foeticide, and controlling the declining sex ratio in India. Under the provisions of the PNDT Act, conducting, or helping in the conduct of pre-natal diagnostic techniques in unregistered units, sex selection, conducting pre-natal diagnostic tests for any purposes other than such as permitted under the PNDT Act, and the sale, distribution, supply, renting etc., of any ultrasound machine, or other equipment which is capable of determining the sex of the foetus, are punishable offences. The PNDT Act mandates compulsory registration of all diagnostic laboratories, genetic counselling centres, genetic laboratories, genetic clinics, and ultrasound clinics.

Consumer Protection Act, 1986 (“Consumer Protection Act”)

The Consumer Protection Act, and the rules thereunder, have been enacted to safeguard the interests of consumers, and to provide for a simple mechanism to redress consumer grievances against deficiencies in goods and services for personal use. This apart, the Consumer Protection Act provides for the dismissal of frivolous or vexatious complaints made before the consumer forums. Further, the provisions of the Consumer Protection Act inter alia, set out various specifications such as the establishment of consumer protection councils, the manner in which complaints are to be made, and the procedure to be followed upon the admission of such complaint. As per the Consumer Protection Act, failure to comply with orders of the consumer forum shall be punishable with imprisonment for a term which shall not be less than 1 month, but which may extend to 3 years. Additionally, offenders may also be punishable with a fine which shall not be less than ₹2,000, but which may extend to ₹10,000.

Ethical Guidelines for Biomedical Research on Human Participants, 2006 (“ICMR Code”)

The ICMR Code sets out various ethical considerations and standards that have to be complied with while handling cases where human beings are involved as biomedical research participants. The ICMR Code inter alia, mandates that any research using human participants follow the principles of essentiality, voluntariness, informed consent, community agreement, nonexploitation, privacy, confidentiality, professional competence, and transparency. The ICMR Code accords prime importance to the dignity and well-being of research participants, and requires that all stages of research involving human participants be subject to strict evaluation by a duly constituted ethics committee. This apart, the ICMR Code also deals with the necessity of informed consent of the human participant before involving such person in research. Further, only competent and qualified persons who act with integrity and impartiality are permitted to conduct research on human participants.

Food Safety and Standards Act, 2006 (“FSS Act”)

The FSS Act, and the rules thereunder, have been enacted to inter alia, regulate the manufacture, storage, distribution, sale and import, and to ensure the availability of safe and wholesome food for human consumption. In accordance with the provisions of the FSS Act, no person is permitted to commence or carry on any food business except under a license. The term ‘food business’ has been defined to mean any undertaking, whether for profit or not, and whether public or private, carrying out any of the activities related to any stage of manufacture, processing, packaging, storage, transportation, distribution of food, import, and includes food services, catering services, sale of food, or food ingredients. The FSS Act recognises the Food Safety and Standards Authority of India, a regulatory authority which has been set up to lay down science based standards for articles of food, to regulate the manufacture, storage, distribution, sale, and import of food, and to facilitate food safety.

Biomedical Waste Management Rules, 2016 (“Biomedical Waste Rules”)

The Biomedical Waste Rules have been enacted to improve the collection, segregation, processing, treatment, and disposal of biomedical wastes in an environmentally sound manner. The Biomedical Waste Rules apply to all persons who generate, collect, receive, store, transport, treat, dispose, or handle biomedical waste in any form, including hospitals, nursing homes, clinics, and dispensaries. In accordance with the provisions of the Biomedical Waste Rules, every person handling biomedical waste is required to obtain an authorisation for handling such biomedical waste.

Any person having administrative control over an institution generating biomedical waste is under an obligation under the Biomedical Waste Rules to take all necessary steps to ensure that the biomedical waste is handled without any adverse effect to human health, and environment. Such person, referred to as an ‘occupier’ under the Biomedical Waste Rules is required to make provisions for safe storage of segregated biomedical waste, pre-treat laboratory waste (including blood samples), and provide training to all healthcare workers, and others involved in the handling of biomedical waste from time to time.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Wastes Rules”)

The Hazardous Wastes Rules have been enacted to ensure resource recovery and disposal of hazardous wastes, as defined under the Hazardous Wastes Rules in an environmentally sound manner. The Hazardous Wastes Rules apply to all persons who handle, generate, collect, store, pack, transport, use, treat, process, recycle, recover, pre-process, co-process, utilise, offer for sale, transfer, or dispose hazardous and other wastes. In accordance with the provisions of the Hazardous Wastes Rules, every person undertaking any of the aforementioned activities with hazardous, and other wastes, is required to obtain an authorisation for undertaking such activities. Further, an occupier is inter alia, under an obligation to ensure the safe and environmentally sound management of hazardous and other wastes. It may be noted that wastes defined under the Hazardous Wastes Rules are to be disposed only in a facility, duly authorised under the provisions of the Hazardous Wastes Rules.

Other Regulations:

The Maharashtra Shops and Establishment Act 1948

The Company has its registered office in the state of Maharashtra. Accordingly, the provisions of the Maharashtra Shops and Establishments Act, 1948 are applicable to the Company. The provisions of the Act regulates the Conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.

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 1st 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 1st 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.

Maharashtra Profession Act, 1975

Every person, engaged actively or otherwise in any profession, trade, calling or employment and falling under one or other classes mentioned in Schedule I of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975, is liable to pay, to the State Government, tax prescribed under the said Schedule. Persons earning salary or wages are also covered. Employers are required to deduct Profession Tax, at prescribed rates, from salary/wages paid to employees, and to pay the tax to State Government on behalf of employees. Employer is liable to pay tax irrespective of deduction. Where any employee is covered by one or more entries other than entry 1 in Schedule I and rate of tax under any such other entry is more than rate of tax under entry I of that Schedule and if he issues to his employer, a certificate in Form IIB, or where employee is simultaneously engaged in employment of more than one employer and if such employee

issues to his employer, a certificate in Form IIC, the employer(s) has not to deduct tax from the salary/wages payable and such employer(s) are not liable to deposit tax on behalf of such employee.

The Central Goods and Services Tax Act, 2017

The GST Act levies tax on supply of goods and services throughout India to replace multiple taxes levied by the Central and State Governments on production, supply and sale of goods and providing of services in India. The GST Act is applicable from July 1, 2017 and bound together the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. Under GST, goods and services are taxed under five different categories that are 0%, 5%, 12%, 18%, 28%. GST is levied on all transactions such as supply, transfer, purchase, barter, lease, or import of goods and/or services. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

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 originally incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Pune dated April 6, 1999 with the name 'Vaidya Sane Ayurved Laboratories Private Limited'. Subsequently, our Company was converted into to a public limited company and the name of our Company was changed to 'Vaidya Sane Ayurved Laboratories Limited' by a special resolution passed on November 19, 2021. A fresh Certificate of Incorporation consequent upon conversion was issued on November 25, 2021 by the Registrar of Companies, Pune.

Our corporate identification number is U73100PN1999PLC013509.

The Promoter of our Company is Dr. Rohit Madhav Sane.

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: Initial allotment to Madhav D Sane, Kiran Bhide, Sanjay Sonavane and Madhura Bhide of 10 Equity Shares each, being the subscribers to the MoA of our Company.

Changes in our Registered Office:

As on the date of this Prospectus, our Registered Office is located at Fl. 5, 1047, Shriram Bhawan, Shukrawar Peth, Pune – 411002, Maharashtra, India.

Following are the details of the changes in the address of the registered office of our Company since incorporation:

1. From 403/404, A1, Kumar Prerana, DP Road, Aundh, Pune - 411007, Maharashtra, India to Sr. No. 81/1, Plot No.7, Rutuja Park, Orchid School Lane, Balewadi Phata, Baner, Pune – 411037, Maharashtra, India with effect from February 15, 2017 due to administrative reasons.
2. From Sr. No. 81/1, Plot No.7, Rutuja Park, Orchid School Lane, Balewadi Phata, Baner, Pune – 411037, Maharashtra, India to Fl. 5, 1047, Shriram Bhawan, Shukrawar Peth, Pune – 411002, Maharashtra, India. with effect from October 23, 2021 due to administrative reasons.

Main Objects of our Company:

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

1. (a) To Carry on business as manufacturers, producers, makers, processors, refiners, mixers, re-packers, grinders, distillers, extractors, combiners, finishers, buyers, sellers, importers, exporters, distributors, stockiest, agents, merchants, suppliers, chemists, druggists, dealers of medicinal articles, dealers of medicines, pharmaceutical articles, preparation of Ayurvedic medicines, tablets, capsules, powders, pills, external applications, syrups, liquids, ointments, tonics, extracts, restoratives, proprietary medicines, beautifying medicines.
- (b) To provide, conduct, assist, encourage, initiate or promote all type of research facilities for carrying on the research, discovery, improvement or development of new methods of diagnosis, understanding and prevention and treatment of diseases, basic and applied and to acquire any patent and licenses or protective devices relating to the results of any discovery, investigations, findings or researches and to acquire any process and to undertake manufacture of any such product developed, discovered or improved and/or to give licences for the manufacture of the same to others and either to market the same or grant licences to the others, to market the same and to provide funds for research works and for scholarships, stipend, remuneration and/or other payment or aid to any person or persons engaged in research work or works connected with or conducive to research and to endow research fellowship or grant financial assistance to persons or institutions engaged in medical researches.

(c) To set up and run the business of super-specialty health centres, medical clinics, nursing homes, hospitals, in and outpatient services including sale of medical devices, rendering modern diagnostics, Pathological Services, Ayurveda Therapies, Yoga Centres, and to run all allied functions related Medicare services, Natural medications, imparting training to medical staff and to purchase, lease or otherwise acquire, establish, maintain, operate, run, manage or administer hospitals, day-care and healthcare centres, nursing homes, clinics for in-door and out-door patients and facilities for reception and treatment of persons suffering from injuries and illness, disabilities and deficiencies of any kind or nature whatsoever and treatment of persons during convalescence or of persons requiring medical attention or rehabilitation, geriatric care centre, assisted living, in the generality, specialty and/or super-specialty departments.

The existing business as well as any new business of our Company for which the funds are being raised fall within the 'main objects' in the object clause of the Memorandum of Association of our Company and the activities which have been carried in the last ten years are valid in terms of the object clause of the Memorandum of Association.

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 Members Meeting	AGM/EGM
Increase in authorised capital from ₹1,00,000 consisting of 5,000 Equity shares of ₹10.00 each and 5,000 6% Preference Shares of ₹10.00 each to ₹5,50,000 consisting of 50,000 Equity shares of ₹10.00 each and 5,000 6% Preference Shares of ₹10.00 each	March 23, 2009	EGM
Reclassification of authorised capital from ₹5,50,000 consisting of 50,000 Equity shares of ₹10.00 each and 5,000 6% Preference Shares of ₹10.00 each to ₹5,50,000 consisting of 55,000 Equity shares of ₹10.00 each by reclassification of 6% Preference Shares into Equity Shares	March 4, 2016	EGM
Increase in authorised capital from ₹5,50,000 consisting of 55,000 Equity shares of ₹10.00 each to ₹15,00,00,000 consisting of 1,50,00,000 Equity shares of ₹10.00 each.	September 13, 2021	AGM
The entire main objects was changed to the current main objects as mentioned above.	November 19, 2021	EGM

Major Events and Milestones

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

Year	Event
2006	First Cardiac Prevention and Rehabilitation Hospital at Khopoli and opening of first Madhavbaug Clinic at Dombivili, Maharashtra
2009	Setting up of inhouse research and development team at Thane.
2012	First Cardiac Prevention and Rehabilitation Hospital at Nagpur.
2013	Opening of 100 th Madhavbaug Clinic at Kankavli, Ratnagiri
2014	Arogyam Hriday Sampada launched with a Mission to create awareness of heart disease.
2015	Launch of therapies for risk factors such as Diabetes, Obesity and Hypertension at Madhavbaug Clinics.
2016	Disease wise diet kits introduced at Madhavbaug Clinics.
2016	Madhavbaug Institute of Preventive Cardiology established with MUHS.
2017	Entered into the state of Madhya Pradesh
2017	Madhavbaug Clinics received Frost and Sullivan's 2017 India Best Practices Award.
2017	Randomised controlled trial by Madhavbaug published in Indian Heart Journal, Official publication of Cardiological Society of India.
2018	Madhavbaug Clinics enters in India Book of Records for Conducting GTT of 661 diabetic patients in single day at 13 different locations.
2018	Participated as main sponsor of World Ayurved Congress 2018 held at Ahmedabad.
2018	Opening of 200 th Madhavbaug Clinic at Nanded, Maharashtra
2018	Entered into the state of Uttar Pradesh and Gujarat
2019	Entered into the state of Delhi
2019	Madhavbaug introduced research based heart blockage management program.

2019	Achieved new registrations of over 90,000 patients and more than 27,000 stress tests conducted and over 3,00,000 panchkarma procedures performed.
2020	Launch of MIB Pulse Mobile Application for patient engagement.
2020	Entered into the state of Karnataka
2021	MIB Pulse Mobile Application achieved over 1,00,000 downloads
2021	Opening of 250 th Madhavbaug Clinic at Vashi.
2020	Entered into the state of Chhattisgarh
2021	Research trial on one year follow-up of Diabetes patients treated by Madhavbaug published in Journal of Association of Physicians of India.

Launch of Key Products or services

We have launched a new Covid care plan for rehabilitation of patients who have recovered from Covid 19.

We have also launched online portal “www.madhavbaugwellness.com” for new wellness products such as Madhav Shakti Atta, apple cider vinegar, prosix dosa mix, nutriboom ghavan mix, digy smooth moong daliya, lentigrain idli mix, Insta health thalli peeth, power mix muthiya aata, diaprak kadha, arj kadha, groundnut oil, amla lichi syrup, etc. and many more.

Financial or Strategic Partners

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

Time or cost overrun

There have been no time or cost overruns pertaining in the setting up of projects by our Company since incorporation

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 borrowings from lenders.

Holding company

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

Subsidiary of our Company

As on the date of this Prospectus, our Company does not have any subsidiary.

Joint Ventures of our Company

As on the date of this Prospectus, our Company does not have any joint ventures.

Details regarding acquisition or divestment of business or undertakings

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

Mergers or amalgamation

Our Company has not been party to any merger or amalgamation in the ten (10) years preceding the date of this Prospectus:

Details of shareholders’ agreements

There are no subsisting shareholder’s agreements among our shareholders *vis-a-vis* our Company, which our Company is aware of, as on the date of this Prospectus, are provided below:

Agreements with Key Managerial Personnel, Director, Promoter or any other employee

Neither our Promoter, nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

Revaluation of assets

Our Company has not revalued its assets in the 10 years preceding the date of this Prospectus.

Changes in the Management

There have been no changes in the management of our Company.

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 159. Further, except as stated in the section “*Capital Structure*” beginning on page 48, 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.

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 9 (nine) 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 5 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>Dr. Rohit Madhav Sane</p> <p><i>Designation: Managing Director & CEO</i></p> <p><i>Address: B-14, Eden Garden Society, Sion Trombay Road, Opp. Deonar Depot, Chembur, Mumbai – 400088, Maharashtra, India</i></p> <p><i>Date of Birth: September 1, 1977</i></p> <p><i>Age: 44 years</i></p> <p><i>Occupation: Business</i></p> <p><i>Term: Re-appointed as Managing Director & CEO for a period of 5 years w.e.f. November 1, 2021.</i></p> <p><i>Period of Directorship: Director since March 1, 2005.</i></p> <p><i>DIN: 00679851</i></p>	<ul style="list-style-type: none"> • Nil
<p>Vidyut B. Ghag</p> <p><i>Designation: Whole time Director</i></p> <p><i>Address: Krishna Tower CHS, Plot No. 8, Flat No. 602, Near Ganesh Maidan, Sector 25, Jui Nagar, Navi Mumbai – 400706, Maharashtra, India</i></p> <p><i>Date of Birth: May 21, 1982</i></p> <p><i>Age: 39 years</i></p> <p><i>Occupation: Service</i></p> <p><i>Term: 5 years w.e.f. September 13, 2021</i></p> <p><i>Period of Directorship: Appointed as Whole time Director on September 13, 2021</i></p> <p><i>DIN: 09299252</i></p>	<ul style="list-style-type: none"> • Nil
<p>Dr. Mahesh P. Kshirsagar</p> <p><i>Designation: Non-Executive and Independent Director</i></p> <p><i>Address: Shradha Niwas, Jalna Road, Shahu Nagar, Bid, Beed – 341122, Maharashtra, India</i></p> <p><i>Date of Birth: June 3, 1976</i></p>	<ul style="list-style-type: none"> • Massskill Development Private Limited • Mars Endeavour Private Limited • Mars Manserve Private Limited <p>LLP:</p> <ul style="list-style-type: none"> • Recreation Agro Food Processing LLP • Parvati Ventures LLP

<p>Age: 45 years</p> <p>Occupation: Business</p> <p>Term: 5 years w.e.f. November 1, 2021</p> <p>Period of Directorship: Appointed as Additional Director on November 1, 2021 and regularised in EGM dated November 19, 2021.</p> <p>DIN: 07612577</p>	
<p>Ratnakar V. Rai</p> <p>Designation: Non-Executive and Independent Director</p> <p>Address: G2/503, Spheene, Moraj Residency, Kasturi Co-op Housing Society, Palm Beach Road, New Mumbai, Sanpada – 400705, Thane, Maharashtra, India</p> <p>Date of Birth: December 25, 1967</p> <p>Age: 53 years</p> <p>Occupation: Business</p> <p>Term: 5 years w.e.f. September 13, 2021</p> <p>Period of Directorship: Appointed as Independent Director on w.e.f. September 13, 2021</p> <p>DIN: 00126309</p>	<ul style="list-style-type: none"> • Bew Engineering Limited
<p>Dr. Sushrut R. Dambal</p> <p>Designation: Non-Executive and Independent Director</p> <p>Address: Aashirwad, Vidya Nagar, Tambri Vibhag, Osmanabad – 413501, Maharashtra, India</p> <p>Date of Birth: July 7, 1977</p> <p>Age: 44 years</p> <p>Occupation: Business</p> <p>Term: 5 years w.e.f. November 1, 2021</p> <p>Period of Directorship: Appointed as Additional Director on November 1, 2021 and regularised in EGM dated November 19, 2021.</p> <p>DIN: 06795550</p>	<ul style="list-style-type: none"> • Niramay Rural Heartcare Private Limited • Dharashiv Footwear Private Limited <p>LLP:</p> <ul style="list-style-type: none"> • A3s Ventures LLP

Relationship between our Directors

None of our Directors are related to each other.

Brief Profile of our Directors

Dr. Rohit Madhav Sane, aged 44 years, is the Managing Director & CEO of our Company. He has completed his MBBS from Dr. Babasaheb Ambedkar Marathwada University, Aurangabad in the year 2001. He has also completed his Fellowship in Cardiac Rehabilitation (FCR) from Apollo Hospital. He is having experience of more than 15 years in field of cardiology. He founded Madhavbaug Clinics & Hospitals in India with the concept that ancient Indian medical science, Ayurveda, can play a big role in chronic cardiac disease. Dr. Rohit used his education in modern medicine and undertook a meticulous research into Ayurveda. The effort resulted in a combination of modern medical science and the well-established therapies prescribed in Ayurveda, which could prove highly effective alternative way to treat chronic heart failure. This treatment was named as Sampurna Hriday Shuddhikaran, literally meaning Total Purification of Heart, He has presented various research papers on chronic heart failure. He is also a Member of the Board of Chair of Preventive Cardiology Interpathy department in the Maharashtra University of Health Sciences (MUHS). He provides strategic guidance to our Company and takes care of day to day operations of our Company and executes the strategy as per the approval of our Board of Directors.

Dr. Vidyut B. Ghag, aged 39 years, is an Whole time of our Company. She has completed her Bachelor of Ayurved Medicine and Surgery (BAMS) from Maharashtra University of Health Sciences, Nashik. She has also completed her Post Graduate Diploma in Healthcare Management from We School, Welingkar Education. University. She is having experience of over 15 years in field of hospital and clinic management. She is associated with our Company since 2006. She is responsible for policy formulation, audit conduction at Madhavbaug Clinics & Hospitals, franchisee management, medicine supply chain coordination, procurement management, costing and analysis for new treatment / medicine, VSAL intellectual property management, grievances redressal management and medicolegal cases management amongst others. She was designated as whole time Director w.e.f. September 13, 2021.

Dr. Mahesh P. Kshirsagar, aged 45 years, is an Independent Director of our Company. He has completed his MBBS from Maharashtra Institute of Medical Sciences & Research (MIT)-Swami Ramanand Teerth University Nanded. He has experience of over 15 years in the field of General Allopathic OPD, Vaccination drive etc. He has been on our Board since November 1, 2021

Ratnakar Venkappa Rai, aged 53 years, is an Independent Director of our Company. He has completed his B.Com from University of Bombay in April 1992 and one year Diploma programmed in Business Management from All India Council for Management Studies, Madras in October 1997. He has also been awarded Post Graduate Program in Management Services for undergoing Executive Business Management Program during 2011 to 2013 by WE School (Welingkar Education), Prin. L. N. Welingkar Institute of Management Development & Research, Mumbai, India. He has experience of over 2 decades in the field of liaison, accounts and finance. He has been on our Board since September 1, 2021.

Dr. Sushrut R. Dambal, aged 44 years, is an Independent Director of our Company. He has completed his MBBS from MIT Latur and has also completed his MD anaesthesia from GMC, Aurangabad. He has experience of over 2 decades in the field of cardiac treatment. He has started his own multispeciality hospital in Osmanabad, since last 8 years is successfully running districts first cardiac cath lab and well equipped ICU. He has been on our Board since November 1, 2021

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.
- Our company has entered into an Employment Agreement dated December 2, 2021 with Dr. Rohit Madhav Sane. Other than aforesaid, 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, whose shares have been or were delisted from 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 & CEO

Dr. Rohit Madhav Sane was re-appointed as Managing Director & CEO of our Company w.e.f. November 1, 2021, for a period of five years vide EGM dated November 19, 2021. Our company has entered into an Employment Agreement dated December 2, 2021 with Dr. Rohit Madhav Sane. The significant terms of his employment are as below:

Salary	Basic salary of Rs. 60,00,000 per annum along with upto ₹ 1.00 Crore as performance based incentive, criteria and eligibility of the same to be decided by the Board of Directors in consultation with Nomination & Remuneration Committee, or any other prerequisites as decided by the board.
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Terms and conditions of employment of our Whole Time Director

Dr. Vidyut B. Ghag was appointed as Whole time Director of our Company vide AGM dated September 13, 2021 for a period of 5 years commencing from September 13, 2021. The significant terms of his employment are as below:

Salary	Remuneration upto Rs. 2,00,000 per month only inclusive of salary, perquisites, benefits, incentives and allowances.
Remuneration in the event of loss or inadequacy of profits	In the event of inadequacy or absence of profits in any financial years during her tenure, the Managing Director will be entitled to above remuneration along with the perquisites/ benefits mentioned above by way of minimum remuneration.

Remuneration details of our Non-Executive and Independent Directors

No remuneration is payable to our Non-Executive and Independent Directors.

Sitting Fees

Our Board of Directors in its meeting dated October 23, 2021 has approved sitting fees to the Non-executive (part time as well as Independent) Directors for attending meetings of the Board and/or Committees thereof existing or new and such other meeting attended as member, which shall not exceed Rs.2000/- (Rupees Two Thousand only) per meeting of the Board and Rs.1000/- (Rupees One Thousand only) per meeting of the Committee thereof.

Payment or benefit to Directors of our Company

Details of the remuneration paid to our Directors in Fiscal 2021 are set forth below.

Remuneration to our Executive Directors

Details of the remuneration paid to our Executive Directors in the Financial Year 2021 are set forth below:

(₹ in lakhs)

Sr. No.	Name of the Executive Director	Designation	Remuneration
1.	Dr. Rohit Madhav Sane	Managing Director	Nil

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
Dr. Rohit Madhav Sane	69,69,300	90.02%

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 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 116 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 116, 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
Sushrut R. Dambal	November 1, 2021	Appointed as Additional Director (Independent)
Mahesh P. Kshirsagar	November 1, 2021	Appointed as Additional Director (Independent)
Vidyut B. Ghag	September 13, 2021	Re-appointed as Whole Time Director
Yogesh B. Khakre	September 13, 2021	Cessation, Vacation of office u/s 161
Ratnakar V. Rai	September 1, 2021	Appointed as Additional Director (Independent)
Shriram V. Bal	October 23, 2021	Resignation
Dr. Rohit Madhav Sane	April 15, 2021	Re-appointed as Managing 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 19, 2021, 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 ₹50,00,00,000 (Rupees Fifty 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 5 (five) 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 November 30, 2021. The Audit Committee comprises:

Name of Director	Status in Committee	Nature of Directorship
Mr. Ratnakar Venkappa Rai	Chairman	Independent Director
Dr. Mahesh Kshirsagar	Member	Independent Director
Dr. Sushrut Dambal	Member	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 November 30, 2021. The Stakeholders' Relationship Committee comprises:

Name of Director	Status in Committee	Nature of Directorship
Dr. Mahesh Kshirsagar	Chairman	Independent Director
Mr. Ratnakar Rai	Member	Independent Director
Dr. Sushrut Dambal	Member	Independent Director
Dr. Rohit Sane	Member	Managing Director & CEO
Dr. Vidyut Ghag	Member	Whole Time 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 November 30, 2021. 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:

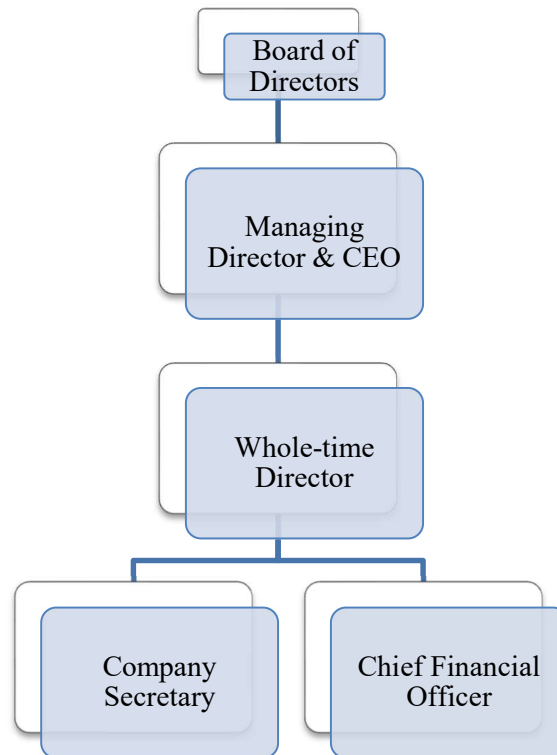
Name of Director	Status in Committee	Nature of Directorship
Dr. Mahesh Kshirsagar	Chairman	Independent Director
Mr. Ratnakar Rai	Member	Independent Director
Dr. Sushrut Dambal	Member	Independent Director

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 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.

ORGANIZATION STRUCTURE



OUR KEY MANAGERIAL PERSONNEL

Set forth below are the details of our key managerial personnel in addition to our Managing Director and 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 97.

Darshan S Shah, aged 34 Years, is the Chief Financial Officer (CFO) of our Company. He holds a bachelor of commerce degree from University of Mumbai. He is also an associate member of Institute of Chartered Accountants of India (ICAI) since September 2014. He has experience of over 8 years of working in audits & accounting functions, statutory compliance, MIS, structuring the financial proposal, financial modeling & feasibility study of project, liaison with NBFC & Bankers and statutory compliances. He also has a experience of over 2 years as financial consultant. He has been appointed as CFO with effect from September 1, 2021. He is currently responsible for the Accounts, Auditing, Finance and Taxation related matters of our Company. No remuneration was paid to him during fiscal ended March 31, 2021.

Abhishek Ajay Deshpande, aged 27 years, is the Company Secretary & Compliance Officer of our Company. He has completed his B.Com from Pune University. He is a qualified Company Secretary and a associate member of the Institute of Company Secretaries of India. He has professional experience of over in the field of Company Law and listing compliances. He has been associated with our Company since November 2, 2021. No remuneration was paid to him during fiscal ended March 31, 2021.

Shareholding of KMP

Other than as mentioned below, none of the above mentioned key managerial personnel hold any Equity Shares in our Company.

Name of Directors	Number of Equity Shares Held (Pre-Issue)	Percentage of pre-Issue capital
Darshan S Shah	14,950	0.19%

For details of shareholding of our Directors and key managerial personnel, please refer “*Capital Structure*” on page 48.

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 93.

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 101 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

Name of Employee	Date of change	Reason
Pranit M. Pongshe, Company Secretary	May 10, 2021	Appointment
Darshan S. Shah	September 1, 2021	Appointment
Pranit M. Pongshe, Company Secretary	September 28, 2021	Resignation
Abhishek Ajay Deshpande, Company Secretary	November 2, 2021	Appointment

OUR PROMOTERS AND PROMOTER GROUP

Individual Promoter:

- *Dr. Rohit Madhav Sane*

Details of our Promoter



Dr. Rohit Madhav Sane, aged 44 years, is the Managing Director of our Company. He has completed his MBBS from Dr. Babasaheb Ambedkar Marathwada University, Aurangabad in the year 2001. He has also completed his Fellowship in Cardiac Rehabilitation (FCR) from Apollo Hospital. He is having experience of more than 15 years in field of cardiology. He founded Madhavbaug Clinics & Hospitals in India with the concept that ancient Indian medical science, Ayurveda, can play a big role in chronic cardiac disease. Dr. Rohit used his education in modern medicine and undertook a meticulous research into Ayurveda. The effort resulted in a combination of modern medical science and the well-established therapies prescribed in Ayurveda, which could prove highly effective alternative way to treat chronic heart failure. This treatment was named as Sampurna Hriday Shuddhikaran, literally meaning Total Purification of Heart, He has presented various research papers on chronic heart failure. He is also a Member of the Board of Chair of Preventive Cardiology Interpathy department in the Maharashtra University of Health Sciences (MUHS). He provides strategic guidance to our Company and takes care of day to day operations of our Company and executes the strategy as per the approval of our Board of Directors., aged 44 years, is the Managing Director of our Company. He has completed his MBBS from Dr. Babasaheb Ambedkar Marathwada University, Aurangabad in the year 2001. He has also completed his Fellowship in Cardiac Rehabilitation (FCR) from Apollo Hospital. He is having experience of more than 15 years in field of cardiology. He founded Madhavbaug Clinics & Hospitals in India with the concept that ancient Indian medical science, Ayurveda, can play a big role in chronic cardiac disease. Dr. Rohit used his education in modern medicine and undertook a meticulous research into Ayurveda. The effort resulted in a combination of modern medical science and the well-established therapies prescribed in Ayurveda, which could prove highly effective alternative way to treat chronic heart failure. This treatment was named as Sampurna Hriday Shuddhikaran, literally meaning Total Purification of Heart, He has presented various research papers on chronic heart failure. He is also a Member of the Board of Chair of Preventive Cardiology Interpathy department in the Maharashtra University of Health Sciences (MUHS). He provides strategic guidance to our Company and takes care of day to day operations of our Company and executes the strategy as per the approval of our Board of Directors.

Achievements and Honors:

- Felicitated for his immense contribution in the field of Preventive Cardiology by Dr. Deepak Sawant, Minister of Health & Family, at the Economic Times World Heart Week Event, Mumbai 2017.
- Awarded 'India Ayurvedic Cardiac Service Provider Company of the Year' by Frost & Sullivan's 2017 India Best Practices Awards Banquet, Mumbai 2017
- Awarded 'Most Impactful Health Care Leaders' at Nashik Healthcare Leadership Awards, 25th Business School Affair, 2017
- Outstanding Achievement Healthcare and Social Cause Award by Pride of Maharashtra Awards, 2017 for Aarogyam Hruday Sampada Social Cause.
- Ayurveda Distinguished Scientist Award by renowned Biochemist Scientist Prof. SP Singh at Hindu University in International Conference, ICMR Govt of India, BHU Varanasi, 2017
- Awarded with Icons of Thane 2017, by Maharashtra One for his immense contribution for fight against heart disease

To make sure that the treatments have the desired effect, rigorous research is conducted by our team on every aspect of therapy. Many of their researches are published in leading scientific journals and presented at international conferences. Our promoter has been involved in over 50 research publications. For details of some of these research papers/publications please refer to the section “Our Business” beginning on page 76, of this Prospectus.

For a other details of Dr. Rohit Madhav Sane, and other directorships, please refer “*Our Management*” on page 97.

Passport No: Z4631267

Aadhar No.: 6090 8264 7300

Address: B-14, Eden Garden Society, Sion Trombay Road, Opp. Deonar Depot, Chembur, Mumbai – 400088, Maharashtra, India.

As on date of the Prospectus, Dr. Rohit Madhav Sane holds 69,69,300 Equity Shares representing 90.02% of the pre-issue paid-up share capital of our Company.

Declaration: We confirm that the PAN, bank account number and passport number of our Promoter will be submitted to NSE on whose SME Platform the Equity Shares are proposed to be listed at the time of filing the 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 41, 97 and 146, respectively.

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.

Other than as disclosed in the section “*Related Party Transaction as Restated*” on page 146, 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 159 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

Our current promoter Dr. Rohit Madhav Sane became the Director of our Company on March 1, 2005. Before Dr. Rohit Madhav Sane, his Dr. Madhav Sane was the Director since Incorporation..

Group Company

For details of our group entities, please refer “*Our Group Entities*” on page 110 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 108 and 114 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

There are no common pursuits between our Company and other entities of the Group.

Litigation

For details relating to legal proceedings involving the Promoters, please refer ‘*Outstanding Litigations and Material Developments*’ on page 160 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 160 of this Prospectus.

Except as disclosed in “*Related Party Transactions*” on page 146, 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:

Relationship	Dr. Rohit Madhav Sane
Father	Dr. Madhav Sane
Mother	Mrs. Kanchan Madhav Sane
Spouse	--
Brother	--
Sister	Mrs. Rekha Paralkar Mrs. Madura Bhide
Son	Saunskar Rohit Sane
Daughter	--
Spouse's Father	--
Spouse's Mother	--
Spouse's Brother	--
Spouse's Sister	--

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

Dynamic Remedies Private Limited
UV Ayurgen Pharma Private Limited

LLPs

Nil

Partnership Firms

M/s Madhavbaug Cardiac Rehabilitation Centre

H.U.F.

Rohit Sane HUF

Proprietary concern

Madhavbaug Home Healthcare, Proprietor Dr. Rohit Sane

Trust

M/s Vd. Sane's Ayurvedic Education & Agricultural Research Trust

Other Persons forming part of Promoter Group

Nil

OUR GROUP ENTITIES

Under the SEBI ICDR Regulations, the definition of ‘group companies’ includes such companies (other than the promoters and subsidiaries) with which the Company related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and such other companies as are considered material by the Board. Pursuant to a Board resolution dated November 30, 2021, our Board formulated a policy with respect to companies which it considered material to be identified as group companies. Our Board has approved that: i) all companies with which the Company has entered into related party transactions as set out in the Restated Financial Statements; or such other companies as considered material by the Board are identified as Group Companies.

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 Prospectus.

I. Details of our Group Companies

The details of our Group Companies are provided below:

A. Dynamic Remedies Private Limited (“DRPL”)

Corporate Information

DRPL is a private company and was incorporated on April 30, 1994 under the Companies Act, 1956. The Corporate Identification Number of DRPL is U24233PN1994PTC078643. Registered Office of DRPL is located at E - 3/9, Old M.I.D.C., Satara – 415004, Maharashtra.

Nature of activities

DRPL is authorized to inter alia engage in the business of manufacturing of ayurvedic medicines.

Financial Information

In accordance with SEBI ICDR Regulations, the financial information derived from the audited financial statements of DRPL for the last three financial years as under:

Particulars	(₹ Lakhs)		
	FY 2021	FY 2020	FY 2019
Capital	28.48	28.48	28.48
Reserves (excluding revaluation reserves)	189.64	167.00	116.55
Sales	551.21	668.44	697.99
Profit after tax	22.63	50.45	62.25
EPS (₹)	79.47	177.14	218.57
Diluted EPA (₹)	79.47	177.14	218.57
NAV (₹)	765.82	686.38	509.23

B. UV Ayurgen Pharma Private Limited (“UAPPL”)

Corporate Information

UAPPL is a private company and was incorporated on July 29, 2008 under the Companies Act, 1956. The Corporate Identification Number of UAPPL is U85110PN2008PTC132511. Registered Office of UAPPL is located at 56, Survey No.408 409, Karanje Industrial Area, Karanje, Satara – 415001, Maharashtra.

Nature of activities

UAPPL is authorized to inter alia engage in the business of manufacturing of medicines.

Financial Information

In accordance with SEBI ICDR Regulations, the financial information derived from the audited financial statements of UAPPL for the last three financial years as under:

(₹ Lakhs)			
Particulars	FY 2021	FY 2020	FY 2019
Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves)	81.73	76.94	66.82
Sales	100.92	102.56	126.03
Profit after tax	4.79	10.12	34.58
EPS (₹)	478.60	1,012.00	3,458.00
Diluted EPA (₹)	478.60	1,012.00	3,458.00
NAV (₹)	8,273.07	7,794.00	6,782.00

I. Details of our Other Entities

The details of our Other Entities are provided below:

Trust:

Vaidya Sane's Ayurvedic Education and Agricultural Research Trust

Vaidya Sane's Ayurvedic Education and Agricultural Research Trust, is a trust formed under The Bombay Trust Act, 1950. The office of the trust is located at 6, Rajput Kori, Dnyati Mahel, Near Govandi Station, Govandi, Mumbai – 400088, Maharashtra. The trust is engaged in providing Ayurved and education related activities and also engage in public welfare.

The present trustees of Vaidya Sane's Ayurvedic Education and Agricultural Research Trust are:

1. Dr. Rohit Madhav Sane
2. Dr. Vilas Dattatray Potnis
3. Mrs. Usha V. Potnis
4. Ms. Nisha Rohit Sane

The financial details are as under:

(₹ Lakhs)			
Particulars	FY 2021	FY 2020	FY 2019
Trust Fund	44.93	44.93	44.93
Income	666.59	971.10	895.21
Loss/Surplus	42.77	(11.10)	(107.60)

Partnership Firm:

Madhavbaug Cardiac Rehabilitation Centre

Madhavbaug Cardiac Rehabilitation Centre, is a partnership between Dr. Rohit Madhav Sane and Mrs. Nisha Rohit Sane. The partnership was formed vide partnership deed dated on March 8, 2011 and further reconstituted on November 15, 2012 and January 25, 2013. The office of the partnership is located at B-14 Bldg 3, Eden Garden CHS, Near R.K.Studio, S.T.Rd, Chembur, Mumbai - 400088, Maharashtra. The partnership is engaged in the distribution of medicine and providing medical treatment.

The financial details are as under:

(₹ Lakhs)

Particulars	FY 2021	FY 2020	FY 2019
Fixed Partners Capital	10.00	10.00	10.00
Income	316.13	533.45	636.48
Net Profit	63.55	166.29	173.07

Nature and Extent of Interest of our Group Companies

a) In the promotion of our Company

Our Group Companies do not have any interest in the promotion of our Company.

b) Related Business Transactions within our Group Companies and significance on the financial performance of our Company.

Except as disclosed in the section entitled “Restated Financial Statements – Annexure V, –Related Party Disclosures” on page 146, our Group Companies do not have any business interest in our Company.

c) In the properties acquired by our Company in the past three years before filing the Prospectus with SEBI or proposed to be acquired

Our Group Companies are not interested in the properties acquired by our Company in the three years preceding the filing of the Prospectus or proposed to be acquired by our Company.

d) In transactions for acquisition of land, construction of building and supply of machinery

Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

e) Common Pursuits amongst the Group Companies and our Company

There are no common pursuits between our Group Companies and our Company.

f) Business Interest of our Group Companies

Except for certain business relationships that our Company has entered into with our Group Companies in their ordinary course of business, our Group Companies do not have any business interest in our Company. For details, please see the section entitled “Restated Financial Statements – Annexure V –Related Party Disclosures” on page 146.

g) Litigation

Our Group Companies are not party to any pending litigation which has a material impact on our Company.

h) Confirmations

- None of our Group Companies are listed on any stock exchange in India or abroad.
- None of our Group Companies have made any public or rights issue of securities in the preceding three years.

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 146.

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 since incorporation.

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
Vaidya Sane Ayurved Laboratories Limited (erstwhile known as Vaidya Sane Ayurved Laboratories Private Limited)**
201 B, Bhoomi Velocity, Road No. 23,
Above ICICI Bank, Wagle Estate,
Thane (West), Thane – 400604

Dear Sir,

1. Report on Restated Financial Statements

We have examined the Restated Financial Statements of M/s Vaidya Sane Ayurved Laboratories Limited (erstwhile known as Vaidya Sane Ayurved Laboratories Private 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 A.A. Mohare & 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.
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 6 months period ended September 30, 2021 and financial years ended March 31, 2021, 2020 and 2019 which have been approved by the Board of Directors.
3. Financial Statements for the 6 months period ended September 30, 2021 and financial year ended March 31, 2021 has been audited by us. Audit of the financial statements for the financial years ended March 31, 2020 and 2019 has been conducted by M/s Vikrant Salunke & Associates, Chartered Accountants.

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 September 30, 2021; March 31, 2021; March 31, 2020 and March 31, 2019, (Annexure I);
- b. The attached Restated Statement of Profits and Losses of the Company for the 6 months period ended September 30, 2021 and financial years ended March 31, 2021, 2020 and 2019, (Annexure II);
- c. The attached Restated Statement of Cash Flows of the Company for the 6 months period ended September 30, 2021 and financial years ended March 31, 2021, 2020 and 2019, (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 for the 6 months period ended September 30, 2021 and financial years ended March 31, 2021.(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 September 30, 2021 and March 31, 2021, 2020 and 2019 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 6 months period ended September 30, 2021 and financial years ended March 31, 2021, 2020 and 2019 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 6 months period ended September 30, 2021 and financial years ended March 31, 2021, 2020 and 2019, 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 difference of share premium due to rounding off.
- 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 6 months period ended September 30, 2021 and financial years ended March 31, 2021, 2020 and 2019.

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 PROVISIONS AS RESTATED	I.3
STATEMENT OF DEFERRED TAX LIABILITIES 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 NON-CURRENT INVESTMENTS AS RESTATED	I.10
STATEMENT OF OTHER NON-CURRENT ASSETS AS RESTATED	I.11
STATEMENT OF INVENTORIES AS RESTATED	I.12
STATEMENT OF TRADE RECEIVABLES AS RESTATED	I.13
STATEMENT OF CASH AND CASH EQUIVALENTS AS RESTATED	I.14
STATEMENT OF SHORT TERM LOANS AND ADVANCES AS RESTATED	I.15
STATEMENT OF OTHER CURRENT ASSETS AS RESTATED	I.16
STATEMENT OF REVENUE FROM OPERATIONS AS RESTATED	II.1
STATEMENT OF OTHER INCOME AS RESTATED	II.2
STATEMENT OF PURCHASES AS RESTATED	II.3
STATEMENT OF CHANGES IN INVENTORIES AS RESTATED	II.4
STATEMENT OF EMPLOYEE BENEFIT EXPENSES AS RESTATED	II.5
STATEMENT OF OTHER EXPENSES AS RESTATED	II.6
STATEMENT OF FINANCE COST AS RESTATED	II.7
STATEMENT OF RELATED PARTY TRANSACTIONS AS RESTATED	V
OTHER FINANCIAL INFORMATION	
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 August 31, 2021. 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 August 31, 2021.
- 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.

For AA Mohare & Co.
Chartered Accountants
Firm Registration Number –114152W

CA Amit A. Mohare
Partner
Membership Number - 148601
Place : Thane
Date : December 7, 2021
UDIN : 21148601AAAAFE2802

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(₹ in Lakhs)

Particulars	Note No.	30.09.21	31.03.21	31.03.20	31.03.19
Equity & Liabilities					
Shareholders Fund					
Share Capital	I.1	697.50	4.50	4.50	4.50
Reserves and surplus	I.2	414.67	972.19	817.49	873.50
Total Shareholder's Fund		1,112.17	976.69	821.99	878.00
Non Current Liabilities					
Long Term Borrowings		0.00	0.00	0.00	0.00
Long term provisions	I.3	170.20	211.70	162.86	47.60
Deferred Tax Liability	I.4	0.00	0.00	51.37	59.53
Other Non-Current Liabilities		0.00	0.00	0.00	0.00
Total Non-Current Liabilities		170.20	211.70	214.23	107.13
Current Liabilities					
Short Term Borrowings	I.5	178.31	101.63	596.88	866.65
Trade Payables	I.6	493.22	618.14	811.40	645.68
Other Current Liabilities	I.7	379.63	514.17	403.26	299.62
Short Term Provisions	I.8	244.50	158.26	63.41	90.64
Total Current Liabilities		1,295.66	1,392.21	1,874.95	1,902.59
Total Equity & Liability		2,578.03	2,580.60	2,911.17	2,887.72
Non-Current Assets					
a) Fixed Assets					
Tangible Assets	I.9	1,624.00	1,670.10	1,438.92	1,416.88
Intangible Assets	I.9	53.57	45.43	112.33	149.39
Capital Work in Progress	I.9	35.19	38.06	379.01	201.65
Total Fixed Assets (a)		1,712.76	1,753.59	1,930.26	1,767.92
b) Non Current Investments	I.10	0.00	1.00	2.00	2.00
c) Long Term Loans and Advances	I.11	107.15	102.90	128.55	113.65
d) Other Non Current Assets		0.00	0.00	0.00	0.00
e) Deferred Tax Assets	I.4	24.11	4.11	0.00	0.00
Total Non-Current Assets		1,844.02	1,861.60	2,060.81	1,883.57
Current assets					
Current Investments		0.00	0.00	0.00	0.00
Inventories	I.12	128.77	161.49	290.32	360.88
Trade Receivables	I.13	267.72	263.84	249.68	365.41
Cash and Cash Equivalents balances	I.14	141.16	90.48	106.03	90.44
Short Term Loans and advances	I.15	52.56	58.72	54.89	39.03
Other Current Assets	I.16	143.80	144.47	149.44	148.39

Total Current Assets		734.01	719.00	850.36	1,004.15
Total Assets		2,578.03	2,580.60	2,911.17	2,887.72

Annexure II

STATEMENT OF PROFIT & LOSS AS RESTATED

(₹ in Lakhs)

Particulars	Note No.	30.09.21	31.03.21	31.03.20	31.03.19
Income					
Revenue from Operations	II.1	3,156.41	5,227.48	7,523.02	6,249.63
Other Income	II.2	0.10	0.44	6.71	7.23
Total Revenue		3,156.51	5,227.92	7,529.73	6,256.86
Expenditure					
Purchases	II.3	940.56	1,550.00	2,068.39	1,871.57
Changes in Inventories	II.4	32.72	128.83	70.56	-158.67
Employee Benefit Expenses	II.5	894.96	1,335.62	2,082.41	1,471.78
Other Expenses	II.6	1,027.22	1,750.86	3,036.94	2768.14
Total (B)		2,895.46	4,765.31	7,258.30	5,952.82
Profit Before Interest, Depreciation and Tax		261.05	462.61	271.43	304.04
Depreciation and Amortisation Expenses	I.9	117.45	244.74	222.58	159.22
Profit Before Interest and Tax		143.60	217.87	48.85	144.82
Finance Costs	II.7	10.88	56.89	93.56	56.66
Profit before Taxation		132.72	160.98	-44.71	88.16
Provision for Taxation		17.25	61.76	19.17	42.63
Provision for Deferred Tax		-20.00	-55.48	-8.16	-4.06
Total Taxes		-2.75	6.28	11.01	38.57
Profit After Tax but Before Extra ordinary Items		135.47	154.70	-55.72	49.59
Extraordinary Items		0.00	0.00	0.00	0.00
Prior Period Items		0.00	0.00	0.00	0.00
Net Profit after adjustments		135.47	154.70	-55.72	49.59
Net Profit Transferred to Balance Sheet		135.47	154.70	-55.72	49.59

STATEMENT OF CASH FLOWS AS RESTATED

(₹ in Lakhs)

PARTICULARS	30.09.21	31.3.21	31.03.20	31.03.19
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit Before Tax	132.72	160.98	(44.71)	88.16
<i>Adjusted for :</i>				
a. Depreciation	117.45	244.74	222.58	159.22
b. Interest Expenses & Finance Cost	10.88	56.89	93.56	56.66
c. Interest & Other Income	(0.10)	(0.44)	(6.71)	(7.23)
d. Other Adjustment	0.00	0.00	(0.29)	0.29
Operating profit before working capital changes	260.95	462.17	264.43	297.10
<i>Adjusted for :</i>				
a. Decrease / (Increase) in Inventories	32.72	128.83	70.56	(158.67)
b. Decrease / (Increase) in trade receivable	(3.88)	(14.16)	115.73	(272.89)
c. (Increase) / Decrease in short term loans and advances	6.16	(3.83)	(15.86)	33.71
d. Increase / (Decrease) in Trade Payables	(124.92)	(193.26)	165.72	289.42
e. Increase / (Decrease) in short term provisions	86.24	94.85	(27.23)	(132.87)
f. Increase / (Decrease) in other current liabilities	(134.54)	110.91	103.64	198.26
g. Increase / (Decrease) in other Non-current liabilities	0.00	0.00	0.00	(52.21)
h. (Increase) / Decrease in Other Current Assets	0.67	4.97	(1.05)	(48.46)
i. Increase / (Decrease) in Long Term Provisions	(41.50)	48.85	115.26	47.60
Cash generated from operations	81.90	639.33	791.20	200.99
Income Tax Paid	17.25	61.76	19.17	42.63
NET CASH GENERATED FROM OPERATION	64.65	577.57	772.03	158.36
B. CASH FLOW FROM INVESTING ACTIVITIES				
a. (Purchase) / Sale of Fixed Assets & Capital WIP	(76.62)	(68.07)	(384.92)	(896.88)
b. (Purchase) / Sale of non-current investment	1.00	1.00	0.00	(2.00)
c. (Increase) / Decrease in Long term loans and advances	(4.25)	25.65	(14.90)	(113.65)
e. Interest & Other Income	0.10	0.44	6.71	7.23
Net cash (used) in investing activities	(79.77)	(40.98)	(393.11)	(1005.30)
C. CASH FLOW FROM FINANCING ACTIVITIES				
a. Interest & Finance Cost	(10.88)	(56.89)	(93.56)	(56.66)
b. Proceeds from share issued	0.00	0.00	0.00	0.00
c. (Repayments) / proceeds of long term borrowings	0.00	0.00	0.00	0.00
d. (Repayments) / proceeds of short term borrowings	76.68	(495.25)	(269.77)	827.24
Net cash generated/(used) in financing activities	65.80	(552.14)	(363.33)	770.58
Net Increase / (Decrease) in cash and cash equivalents	50.68	(15.55)	15.59	(76.36)
Cash and cash equivalents at the beginning of the year	90.48	106.03	90.44	166.80
Cash and cash equivalents at the end of the year	141.16	90.47	106.03	90.44

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

1. Nature of Operations:

Vaidya Sane Ayurved Laboratories Ltd. (erstwhile Vaidya Sane Ayurved Laboratories Pvt. Ltd.) was incorporated on April 6, 1999 and registered under Indian Companies Act, 1956. The Company is engaged in research and development in Ayurvedic Medicines and the sale of Ayurvedic medicines & products through its various franchises and own clinics. The Company is also engaged in providing Ayurvedic medical professional services across its various clinics and also through running of Hospital.

Basis of preparation

The financial statements of the Company have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments which have been measured at fair value. Historical cost is generally based on the fair value of consideration given in exchange of goods and services. The accounting policies are consistently applied by the Company during the period and are consistent with those used in previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Further, the guidance notes /announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

2. Significant accounting policies:

a. Statement of compliance

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) to comply in all material aspects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the 'Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

b. Use of estimates and judgment

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses for the year. These estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these estimates, judgments and assumptions may result in the outcome that may require material adjustment in the carrying amounts of assets and liabilities in future period.

Estimations which may cause material adjustment to the carrying amounts of assets and liabilities within next financial year is in respect of useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities and fair value measurement of financial instruments have been discussed below.

c. Estimation of uncertainties relating to Covid-19 pandemic

The Company has considered the possible effect of Covid-19 pandemic on the carrying amounts of receivables, property, plant and equipment, advances etc. In ascertaining the effect of the pandemic, the Company has used internal and external sources of information including economic forecasts by national and international organizations and has accordingly made necessary adjustments in the carrying amounts of assets. The Company has also made provision in respect of onerous contracts. Considering the nature of pandemic, its impact cannot be reliably ascertained.

d. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under ‘Capital work-in-progress’.

Subsequent expenditures related to property, plant and equipment is capitalized only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs of items of property, plant and equipment are recognized in the statement of profit and loss when incurred.

Gains or losses arising from of fixed assets are measured as the difference between the net proceeds and carrying amount of the asset and are recognized in the statement of profit and loss when the asset is recognized.

e. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The basis of determination of cost is as follows:

- Stores and spares and consumables valued on cost plus incidental overheads basis; and
- Finished goods valued at lower of cost or net realizable value. Cost is determined on FIFO basis.

f. Intangible Assets

Intangible assets including software licenses of enduring nature and acquired contractual rights separately are measured on initial recognition, at cost. Intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Cost of internally generated intangible assets comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is recognized .

Capitalized development cost is carried at cost less accumulated amortization and impairment losses, if any. Intangibles under development include cost of intangibles that are not ready to be put to use.

g. Depreciation and amortization

Depreciation has been provided on Written Down Value method on all assets as per Useful lives prescribed under Schedule II of Companies Act 2013. Depreciation on assets added during the year has been provided on pro-rata basis from the date of addition. Depreciation on deductions during the year is provided on pro-rata basis up to the date of sale.–Individual assets whose cost does not exceed 5,000 are depreciated at 100%.

Asset	Useful lives
Computers	3 years
Servers	6 years
Software	5 years
Office equipment	5 years
Furniture & Fixture	10 years
Building	60 years
Intangible assets	5 years

h. Revenue recognition

Revenue is Recognized Limited to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and it is reasonable to expect ultimate collection.

Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

Income from Services

Revenues from professional services are recognized as and when services are rendered. Packages sales are recognized on time proportionate basis over the period of treatment.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

i. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Company's cash management.

j. Investments

Investments in other equity instruments Investments in equity instruments which are held for trading are classified as at fair value through profit or loss ('FVTPL'). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income ('FVTOCI') or fair value through profit or loss ('FVTPL'). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

k. Employee benefits

(i) Gratuity

The Company provides for Gratuity, covering eligible employees under Company Gratuity Scheme. On reporting date, liabilities with respect to gratuity plan as determined on estimated basis and valuation is done accordingly. The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as liability and as per the requirements of AS15 (Revised 2005).

(ii) Short-term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short-term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(iii) Compensated absences

The Company provides accumulating and non-accumulating paid absences such as annual leave, sick leave and casual leave.

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

l. Borrowing costs

Borrowing costs are capitalized that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which it is incurred.

m. Segment Reporting

According to AS 17 primary segment is specified as business segment. The primary segment reporting format is determined to be business segments as the company's risks and rates of return are affected predominantly by differences in the products and services produced. The operating business are organized and managed separately according to the nature of the products & services provided, with each segment representing a strategic business unit that offers different products & serves different markets.

n. Leases

Company as a lessor

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on equalized basis over a lease period.

o. Earnings per share

a. Basic Earnings per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting any attributable tax thereto for the period. The weighted average number of equity shares outstanding during

the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

b. Diluted Earnings per Share

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

p. Income Taxes

(i) Current tax:

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961.

Current tax assets and current tax liabilities are presented on the net basis in the balance sheet after off-setting current tax paid against income tax provision only if the Company has a legally enforceable right to set off the recognized amounts and it intends either to settle on a net basis.

Minimum alternate tax (MAT) paid in a period / year is charged to the statement of profit and loss as current tax. MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(ii) Deferred Tax:

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable timing / temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are derecognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Recognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred taxes are in the statement of profit and loss, except to the extent that it relates to items in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

q. Provisions and contingent liabilities

Provisions are recognized when the Company has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A disclosure for a contingent liability is made where there is a possible obligation arising out of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising out of a past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

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 periods covered under audit.

NOTES ON ACCOUNTS AND RESTATEMENTS MADE IN THE RESTATED FINANCIALS

1. Auditors remuneration

Particulars	Amount (Rs.)	
	30-Sep -21	31-Mar -21
Services as - Statutory Audit	75,000	1,50,000
- Tax Audit	75,000	1,50,000
Other Management Services	-	-
TOTAL	1,50,000	3,00,000

2. Segment Reporting

Primary (Reportable) Segments:

The Company is organized into two vertical operating divisions, i.e. Sale of Product Activity consists of Medicines, Medical Equipments and Consumables & Hospital Activity consists of Consultancy in Medical field and IPD activities. As such, the activities of company are carried out primarily into two vertical segments. The segments are the basis on which the company reports its primary segment information. Unallocable revenues consist of those revenues which are not reportable segments as per the Standard, which also comprises of Franchisee fees received from the Franchisees working under the “Madhavbaug” Trademark.

Sale of Product segment is identified for the activity related to procurement and sale of Medicines, Medical Equipment and consumables etc. Hospital Activity segment is related to Consultancy in Medical field and IPD.

Segment revenue and expenses directly attributable to Sale of Product Segment & Hospital Activity Segment are allocated on actual basis. Corporate Expenses comprise of all operating expenses and Allocable Office and Administrative expenses and Selling and Distribution Expenses. Segment assets includes all operating assets used by the segments and comprising of inventories subject to inter segment transfers, sundry debtors, cash & bank balances, loans & advances, other current assets & fixed assets. Similarly, segment liabilities include all operating liabilities comprising of trade payables, advances from customers, other current & non-current liabilities and provisions. Segment assets and liabilities do not, however, include provisions for taxes. Joint assets & liabilities have been allocated to segments on a reasonable basis. Unallocated revenue & expenditures, assets & liabilities are given separately as common or none allocable segment.

(Rs. In Lacs)

Particulars	Hospital Activity		Sale of Product Activity		Common/ Unallocable		Total	
	30-Sep-21	31-Mar-21	30-Sep-21	31-Mar-21	30-Sep-21	31-Mar-21	30-Sep-21	31-Mar-21
<u>REVENUE</u>	-	-	-	-	-	-	-	-
Segment Revenue	676.99	997.63	1,906.21	3,501.75	573.21	728.09	3,156.40	5,227.48
<u>RESULT</u>	-	-	-	-	-	-	-	-
Other Segment Revenue	-	-	-	-	0.10	0.45	0.10	0.45
Material Consumed (Incl Direct Exp.)	91.45	143.32	847.94	1,481.97	4.74	-	944.12	1,625.29
Corporate Expenses	347.12	565.94	-	-	1,604.20	2,689.59	1,951.33	3,255.53
Operating Profit	238.41	288.37	1,058.27	2,019.79	(1,035.64)	(1,961.05)	261.05	347.12
Interest Cost	-	-	-	-	10.88	56.89	10.88	56.89
Depreciation	-	-	-	-	117.45	244.73	117.45	244.73
Income Taxes	-	-	-	-	17.25	61.76	17.25	61.76
Deferred Tax Provision	-	-	-	-	(20.01)	(55.48)	(20.01)	(55.48)
Net profit	238.41	288.37	1,058.27	2,019.79	(1,161.22)	(2,268.96)	135.47	39.20
<u>OTHER INFORMATION</u>	-	-	-	-	-	-	-	-
Segment Assets	650.50	526.38	-	-	-	-	650.50	526.38
Unallocated Corporate Assets	-	-	-	-	1,927.53	2,054.22	1,927.53	2,054.22
Total Assets	650.50	526.38	-	-	1,927.53	2,054.22	2,578.03	2,580.60
Segment Liabilities	59.23	73.17	-	-	-	-	59.23	73.17
Unallocated Corporate Liabilities	-	-	-	-	2,518.80	2,507.43	2,518.80	2,507.43
Total Liabilities	59.23	73.17	-	-	2,518.80	2,507.43	2,578.03	2,580.60
Capital Expenditure	-	-	-	-	76.61	91.54	76.61	91.54
Depreciation	-	-	-	-	117.45	244.73	117.45	244.73
Non Cash Expenditure other - than Depreciation	-	-	-	-	(9.09)	102.39	(9.09)	102.39

3. Operating lease

The Company has taken on lease properties under operating lease arrangements. Most of the leases include renewal and escalation clauses. Provision thereof is made in the books in current financial year.

The following is a summary of future minimum lease rental commitments towards non-cancellable operating leases and finance leases.

(Rs.)

Operating lease	As at 30-Sep-21	As at 31-Mar-21
Obligation on non- cancellable operating leases		
- Not later than one year	3,84,88,540	3,92,29,556
- Later than one year and not later than five years	4,65,27,930	6,36,20,262
- Later than five years	Nil	Nil

During the year rent equalization has been reversed to the extent of Rs. 34,17,025/- due to some of the rent agreements got cancelled during last 1 year.

4. Employee Benefits – Gratuity Valuation

Gratuity valuation is done by the company on Actuarial Valuation basis during the year FY 2020-21. However valuation of Gratuity was done on estimated basis for the period 30/09/2021. For the current period gratuity valuation details are as follows,

(Rs.)

1 Actuarial Assumptions

Particulars	30-Sep-21	31-Mar-21
Discount rate	NA	5.80%
Rate of increase in compensation levels	NA	6.00%
Expected rate of return on plan assets	-	-

2 The amounts to be recognised in the Balance Sheet :

Particulars	30-Sep-21	31-Mar-21
Present value of obligation at the end of period	1,43,01,462	1,25,85,829
Fair value of the plan assets at the end of period	-	-
Surplus / (Deficit)	(1,43,01,462)	(1,25,85,829)
Current liability	46,42,998	21,94,548
Non-current liability	96,58,464	1,03,91,281
Amount not recognised due to asset ceiling	-	-
Net asset / (liability) recognised in balance sheet	(1,43,01,462)	(1,25,85,829)

*Provision of Gratuity is done on estimated valuation basis for the period ended 30/09/2021

3 Reconciliation of Net Asset / (Liability) Recognised :

Particulars	30-Sep-21	31-Mar-21
Net asset / (liability) recognised at the beginning of the period	(1,25,85,829)	(80,44,315)
Benefits Paid	7,32,817	17,59,103
Net periodic benefit cost recognised in the statement of profit & loss at the end of period	(24,48,450)	(63,00,617)
Unrecognised past service cost	-	-
Net asset / (liability) recognised at the end of the period	(1,43,01,462)	(1,25,85,829)

5. Prior period Adjustments

There are no prior period adjustments recognized for the period ended on 30th September 2021

(Rs.)

Sr. No	Particulars	30-Sep-21	31-Mar-21
1	Provision for Rent Equalisation Expenses	-	74,44,286
2	Provision for Gratuity	-	41,06,069
	Total	-	1,15,50,355

6. Contingent liability:

The company has received demand under section 32 of Maharashtra Value Added Tax, 2002 for various years and the company has filed separate appeals against the assessment orders. The appellant authorities have granted stay on these demands and the matter is subjudiced:

(Rs.)

Liability Under Act	Financial Year	Date of Order received	30-Sep-21	31-Mar-21
Maharashtra Value Added Tax	2011-12	31/07/2017	15,70,026	15,70,026
Maharashtra Value Added Tax	2012-13	29/07/2017	25,76,926	25,76,926
Maharashtra Value Added Tax	2013-14	11/07/2019	14,22,371	14,22,371
Maharashtra Value Added Tax	2014-15	11/07/2019	30,64,412	30,64,412
Maharashtra Value Added Tax	2015-16	12/05/2019	28,45,931	28,45,931
Maharashtra Value Added Tax	2016-17	28/03/2021	29,54,986	29,54,986
Central Sales Tax	2015-16	12/05/2021	1,812	1,812

7. Capital commitments:

The capital commitment as at September 30, 2021 is Rs. Nil (March 31, 2021 – Rs. Nil).

8. Unhedged Foreign Currency Exposures

There is no foreign currency exposure outstanding as on 31/03/2021.

9. Income/ Expenditure in Foreign Currency:

Sr No.	Particulars	Amount Rs. 30-Sep-21	Foreign Currency Rs. 30-Sep-21	Amount Rs. 31-Mar-21	Foreign Currency Rs. 31-Mar-21
Outflow					
1	Advertisement	10,69,121 20,093	13,733 USD 219 EURO	75,484 16,50,286	859 EURO 21,213 USD
2	Membership & Subscriptions	5,27,229 1,42,249	6,832 USD 1,548 EURO	2,55,198 6,15,549	2,838 EURO 7,932 USD
3	Website Maintenance Expenses	17,31,517 47,396 9,763	22,985 USD 510 EURO 169 SGD	25,31,723	31,726 USD
4	Registration Fees	-	-	6,875	89 USD
5	Research Expenses	9,294	99 EURO	-	-

10. SME Accounting Standard Compliance

The Company is not a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. As the turnover limited specified in Rule 2(f)(iii) of the Rules, exceeding Rs. 50 Crores during the previous financial year as

such all the necessary amendments and disclosures are incorporated in the current financials of the company. Accordingly, the Company has complied with the Accounting Standards as applicable and when applicable. From 1st April 2021, definition of SMC in respect of Accounting Standards notified under the Companies Act, 2013 is changed. Accordingly company is again qualifying to be SMC. However for the comparative and presentation purpose disclosure have been given.

11. Details of dues to micro and small enterprises as defined under MSMED Act, 2006

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	(Rs.)	
	30-Sep-21	31-Mar-21
(i) Amounts remaining unpaid to micro and small suppliers as at the end of the period:		
-Principal	99,37,129	25,42,287
-Interest	-	-

Note : None of the payments outstanding for more than 45 days against principle shown as on 30/09/2021 subject to MSME return to be filed with ROC.

12. There are no suppliers or defined under **The Micro, Small and Medium Enterprises Development Act, 2006**, who are due money from the company.
13. In the opinion of Board of Directors, the Current Assets Loans and Advances are approximately of the same value if realised in the ordinary course of business and the provisions of all known liabilities are adequate.
14. Balances of Sundry Debtors, Creditors, are subject to confirmation.
15. Pursuant to enactment of Companies Act, 2013, the Company has applied the estimated useful lives as specified in Schedule II.
16. There is no requirement of any provision of gratuity/ leave encashment in these accounts.
17. There are no contingent Liabilities reported and as such no provision has been made in these accounts for such liability.
18. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.
19. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, Current Liabilities are subject to confirmation and reconciliation.
20. 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.

21. Material Adjustments

Other than as mentioned below, there are no material adjustments or errors which required adjustment for the purpose of restatement:

Particulars	(₹ in lakhs)			
	30.09.21	2020-21	2019-20	2018-19
Net Profit as per Audited Books of Accounts	135.47	39.2	12.19	97.19

Adjustment for prior period Gratuity and Rent Equalisation	0	115.50	-67.91	-47.60
Net Profit after restatement adjustments as per restated financial statements	135.47	154.70	-55.71	49.59

22. 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. Some minor difference may be due to rounded off only.

23. Auditors Qualifications –

Details of Auditors qualifications and their impact on restated financial statement is given below:

- Qualification which required adjustment in restated financial statements: None
- Qualification which does not require adjustment in restated financial statements: None

Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

Annexure – I.1

STATEMENT OF SHARE CAPITAL AS RESTATED

(₹ in lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Authorised				
Equity shares of ₹ 10/- each	1500.00	5.00	5.00	5.00
Issued, Subscribed & Fully Paid-up				
Equity shares of ₹ 10/- each	697.50	4.50	4.50	4.50

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	31.08.21	31.03.21	31.03.20	31.03.19
Shares outstanding at the beginning of the year	45,000	45,000	45,000	45,000
Shares issued during the year	0	0	0	0
Bonus Issued during the year	69,30,000	0	0	0
Share outstanding at the end of the year	69,75,000	45,000	45,000	45,000

Details of Shareholding more than 5% of the aggregate shares in the company:

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Rohit Madhav Sane				
No. of Shares	6974845	44999	44999	44999
% Holding	99.998	99.998	99.998	99.998

Annexure – I.2

STATEMENT OF RESERVES AND SURPLUS AS RESTATED

(₹ in lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Statement of Profit & Loss				
Opening balance	961.13	806.43	862.44	812.56
Add: Profit for the year	135.47	154.70	-55.72	49.59
Less: Utilised for Bonus Issue	681.93	0.00	0.00	0.00
Capital Reserves	0.00	0.00	-0.29	0.29
Profit available for appropriation	414.67	961.13	806.43	862.44
Balance as at the end of the year	414.67	961.13	806.43	862.44
Securities Premium Account				
Opening balance	11.06	11.06	11.06	11.06
Add: Additions during the year	0.00	0.00	0.00	0.00
Less: Utilised for Bonus Issue	11.06	0.00	0.00	0.00
Balance as at the end of the year	0.00	11.06	11.06	11.06
Total Reserve & Surplus	414.66	972.19	817.49	873.50

Annexure – I.3

STATEMENT OF LONG TERM PROVISIONS AS RESTATED

(₹ in Lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Provision for Gratuity	96.58	103.91	88.42	1.63
Provision for Rent Equalisation	73.62	107.79	74.44	45.96
Total	170.20	211.70	162.86	47.60

Annexure – I.4

STATEMENT OF DEFERRED TAX LIABILITY/ ASSET AS RESTATED

(₹ in Lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Opening Deferred Tax Liability / (Asset)	-4.11	51.37	59.53	63.59
Deferred Tax Asset				
On the Block of Fixed Assets	17.72	9.71	2.69	0.00
On Other Items	8.60	45.77	5.47	12.60
Sub Total	26.32	55.48	8.16	12.60
Deferred Tax Liability				
On the Block of Fixed Assets	0.00	0.00	0.00	8.54
On Other Items	6.32	0.00	0.00	0.00
Sub Total	6.32	0.00	0.00	8.54
Net Deferred Tax Liability / (Asset)	-20.00	-55.48	-8.16	-4.06
Closing Deferred Tax Liability / (Asset)	-24.11	-4.11	51.37	59.53

Annexure – I.5

STATEMENT OF SHORT TERM BORROWINGS AS RESTATED

(₹ in lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
From Banks				
Bank Overdraft from Saraswat Co-op Bank	178.31	100.33	585.13	834.31

From Others				
Loan from Director - Dr. Rohit Madhav Sane	-	1.30	11.75	32.34
Total	178.31	101.63	596.88	866.65

Annexure – I.6

STATEMENT OF TRADE PAYABLES AS RESTATED

(₹ in lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Dues to MSME Creditors	0.00	25.42	50.92	0.00
Dues to Other Creditors	493.22	592.72	760.48	645.68
Total	493.22	618.14	811.40	645.68

Annexure – I.7

STATEMENT OF OTHER CURRENT LIABILITIES AS RESTATED

(₹ in lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Advance received from Customers	91.22	195.42	90.86	47.96
Employee Benefits payable	137.85	152.00	125.44	140.14
Statutory dues payable	58.99	76.70	97.92	42.96
Retention amount payable to Doctors	7.65	5.70	9.65	9.15
Deposits	83.92	84.35	79.39	59.41
Others	0.00	0.00	0.00	0.00
Total	379.63	514.17	403.26	299.62

Annexure – I.8

STATEMENT OF SHORT TERM PROVISIONS AS RESTATED

(₹ in lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Provision for Income Tax	79.02	61.76	15.17	8.78
Provision for Leave Encashment	25.84	17.91	13.25	11.97
Provision for Gratuity	46.43	21.95	33.09	58.08
Audit fees payable	4.27	2.78	0.00	0.00
Other provisions	88.94	53.86	1.90	11.81
Total	244.50	158.26	63.41	90.64

Annexure – I.9

STATEMENT OF FIXED ASSETS AS RESTATED

(₹ in lakhs)

Period ending 30th September 2021

	Gross block				Depreciation				Net block	
	April 1, 2020	Addition	Disposal	September 30, 2021	April 1, 2020	For the period	Disposal	September 30, 2021	September 30, 2021	March 31, 2021
Tangible Assets										
Land	32.35	-	-	32.35	-	-	-	-	32.35	32.35
Buildings	906.50	5.73	-	912.23	94.71	7.55	-	102.26	809.97	811.79
Machinery	284.76	15.35	-	300.12	127.94	15.67	-	143.60	156.51	156.83
Computer	207.54	7.69	-	215.23	183.79	14.22	-	198.01	17.22	23.75
Furniture and Fixtures	858.07	6.82	-	864.89	257.04	43.12	-	300.16	564.74	601.03
Office Equipments	76.76	7.81	-	84.57	36.08	7.88	-	43.96	40.61	40.68
Vehicles	17.37	-	-	17.37	13.70	1.08	-	14.78	2.59	3.67
Lease Hold Assets Furniture and Fixtures	-	-	-	-	-	-	-	-	0.00	-
Total	2,383.36	43.40	-	2,426.76	713.26	89.51	-	802.77	1,624.00	1,670.00
Previous year	1,808.08	227.33	60.38	1,975.02	391.20	167.83	22.92	536.11	1,438.91	1,416.88

	Gross block				Depreciation				Net block	
	April 1, 2020	Addition	Disposal	September 30, 2021	April 1, 2020	For the period	Disposal	September 30, 2021	September 30, 2021	March 31, 2021
Intangible	173.26	-	-	173.26	164.23	9.03	-	173.26	0.00	9.03
Software	125.16	36.08	-	161.25	88.76	18.91	-	107.68	53.57	36.40
Total	298.43	36.08	-	334.51	252.99	27.94	-	280.94	54.00	45.00
Previous year	280.05	17.69	-	297.74	130.66	54.75	-	185.41	112.33	149.39

	Gross block				Depreciation				Net block	
	April 1, 2020	Addition	Disposal	September 30, 2021	April 1, 2020	For the period	Disposal	September 30, 2021	September 30, 2021	March 31, 2021
Capital Work in Progress										
Building	0.00	-	-	0.00	-	-	-	-	0.00	0.00
Software Development	29.58	-	29.58	-	-	-	-	-	-	29.58
Plant & Machinery	8.48	26.71	-	35.19	-	-	-	-	35.19	8.48
Total	38.06	26.71	29.58	35.19	-	-	-	-	35.19	38.00
Previous year	379.01	177.36	-	379.01	-	-	-	-	379.01	201.65
Total: Property plant and equipment	2,719.85	106.19	29.58	2,796.46	966.25	117.45	-	1,083.70	1,713.19	1,753.00

Period ending 31st March 2021

	Gross block				Depreciation				Net block	
	April 1, 2020	Addition	Disposal	March 31, 2021	April 1, 2020	For the year	Disposal	March 31, 2021	March 31, 2021	March 31, 2020
Tangible Assets										
Land	32.35	-	-	32.35	-	-	-	-	32.35	32.35
Buildings	500.41	406.09	-	906.50	80.47	14.24	-	94.71	811.79	419.94
Machinery	288.11	6.12	9.47	284.76	98.37	30.75	1.19	127.94	156.83	189.74
Computer	203.26	5.50	1.21	207.54	150.62	34.25	1.08	183.79	23.75	52.64
Furniture and Fixtures	846.40	5.27	11.85	839.82	154.66	85.96	1.83	238.79	601.03	691.74
Office Equipments	72.40	5.30	0.93	76.76	22.06	14.59	0.57	36.08	40.68	50.34

Vehicles	13.85	3.52	-	17.37	11.69	2.01	-	13.70	3.67	2.17
Lease Hold Assets Furniture and Fixtures	18.25	-	-	18.25	18.25	-	-	18.25	0.00	-
Total	1,975.02	431.81	23.47	2,383.36	536.11	181.81	4.66	713.26	1,670.00	1,438.91
Previous year	1,808.08	227.33	60.38	1,975.02	391.20	167.83	22.92	536.11	1,438.91	1,416.88

	Gross block				Depreciation				Net block	
	April 1, 2020	Addition	Disposal	March 31, 2021	April 1, 2020	For the year	Disposal	March 31, 2021	March 31, 2021	March 31, 2020
Intangible	172.57	0.69	-	173.26	129.17	35.06	-	164.23	9.03	43.40
Software	125.16	-	-	125.16	56.23	32.53	-	88.76	36.40	68.93
Total	297.74	0.69	-	298.43	185.41	67.59	-	252.99	45.00	112.33
Previous year	280.05	17.69	-	297.74	130.66	54.75	-	185.41	112.33	149.39

	Gross block				Depreciation				Net block	
	April 1, 2020	Addition	Disposal	March 31, 2021	April 1, 2020	For the year	Disposal	March 31, 2021	March 31, 2021	March 31, 2020
Capital Work in Progress										
Building	379.01	27.08	406.09	-	-	-	-	-	-	379.01
Software Development	-	29.58	-	29.58	-	-	-	-	29.58	-
Plant & Machinery	-	8.48	-	8.48	-	-	-	-	8.48	-
Total	379.01	65.14	406.09	38.06	-	-	-	-	38.00	379.01
Previous year	379.01	177.36	-	379.01	-	-	-	-	379.01	201.65

Total: Property plant and equipment	2,651.77	497.63	429.56	2,719.85	721.52	249.39	4.66	966.25	1,753.00	1,930.26
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Period ending 31st March 2020

	Gross block				Depreciation				Net block	
	April 1, 2019	Addition	Disposal	March 31, 2020	April 1, 2019	For the year	Disposal	March 31, 2020	March 31, 2020	March 31, 2019
Tangible Assets										
Land	32.35	-	-	32.35	-	-	-	-	32.35	32.35
Buildings	500.41	-	-	500.41	72.13	8.34	-	80.47	419.94	428.28
Machinery	261.91	61.06	34.86	288.11	85.00	24.31	10.95	98.37	189.74	176.91
Computer	192.16	15.58	4.47	203.26	114.80	38.83	3.01	150.62	52.64	77.36
Furniture and Fixtures	739.04	118.80	11.45	846.40	77.84	80.29	3.47	154.66	691.74	661.21
Office Equipments	50.10	31.90	9.60	72.40	16.32	11.23	5.49	22.06	50.34	33.78
Vehicles	13.85	-	-	13.85	9.95	1.73	-	11.69	2.17	3.90
Lease Hold Assets Furniture and Fixtures	18.25	-	-	18.25	15.15	3.10	-	18.25	-	3.10
Total	1,808.08	227.33	60.38	1,975.02	391.20	167.83	22.92	536.11	1,438.41	1,416.88
Previous year	1,187.13	620.94	-	1,808.08	278.31	112.88	-	391.20	1,416.88	908.82

	Gross block				Depreciation				Net block	
	April 1, 2019	Addition	Disposal	March 31, 2020	April 1, 2019	For the year	Disposal	March 31, 2020	March 31, 2020	March 31, 2019
Intangible	171.17	1.40	-	172.57	94.74	34.44	-	129.17	43.40	76.44
Software	108.88	16.29	-	125.16	35.93	20.31	-	56.23	68.93	72.95
Total	280.05	17.69	-	297.74	130.66	54.75	-	185.41	112.33	149.39
Previous year	204.76	75.29	-	280.05	84.32	46.34	-	130.66	149.39	120.44

	Gross block				Depreciation				Net block	
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	April 1, 2019	Addition	Disposal	March 31, 2020	April 1, 2019	For the year	Disposal	March 31, 2020	March 31, 2020	March 31, 2019
Capital Work in Progress	201.65	177.36	-	379.01	-	-	-	-	379.01	201.65
	-	-	-	-	-	-	-	-	-	-
Total	201.65	177.36	-	379.01	-	-	-	-	379.01	201.65
Previous year	1.00	200.65	-	201.65	-	-	-	-	201.65	1.00

Total: Property plant and equipment	2,289.77	422.39	60.38	2,651.77	521.86	222.58	22.92	721.52	1,929.76	1,767.91
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Period ending 31st March 2019

Sr No	Particulars	GROSS					Depreciation				WDV	
		Opening Block	Addition	Deletion	Reduced from retained earnings	Closing block	Opening Block	Addition	Deletion	Closing block	As on 31/03/2019	As on 31/03/2018
A	Tangible assets											
1	Land	32.35	-	-	-	32.35	-	-	-	-	32.35	32.35
2	Buildings	500.41	-	-	-	500.41	63.79	8.34	-	72.13	428.28	436.62
3	Machinery	140.66	121.25	-	-	261.91	69.47	15.53	-	85.00	176.91	71.19
4	Computer	130.36	61.79	-	-	192.16	89.49	25.31	-	114.80	77.36	40.88
5	Furniture and Fixtures	327.45	411.59	-	-	739.04	27.64	50.20	-	77.84	661.21	299.82
6	Office Equipments	23.79	26.31	-	-	50.10	10.64	5.68	-	16.32	33.78	13.15
7	Vehicles	13.85	-	-	-	13.85	8.22	1.73	-	9.95	3.90	5.63
8	Lease Hold Assets Furniture and Fixtures	18.25	-	-	-	18.25	9.07	6.08	-	15.15	3.10	9.19
										-	-	-
	Total A	1,187.13	620.94	-	-	1,808.08	278.31	112.88	-	391.20	1,416.88	908.82

B	Intangible Assets					-				-	-	-
1	Intangible	138.15	33.02	-	-	171.17	64.47	30.27	-	94.74	76.44	73.68
2	Software	66.61	42.27	-	-	108.88	19.85	16.08	-	35.93	72.95	46.76
	Total B	204.76	75.29	-	-	280.05	84.32	46.34	-	130.66	149.39	120.44
	TOTAL FIXED ASSETS	1,391.89	696.23	-	-	2,088.13	362.63	159.22	-	521.86	1,566.27	1,029.26
	Previous Year	1,017.19	375.87	0.16	-	1,392.89	268.45	94.18	-	362.63	1,030.26	

Annexure – I.10

STATEMENT OF NON-CURRENT INVESTMENTS AS RESTATED

(₹ in lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Unquoted Equity Shares				
2000 Eq. Shares of Rs. 50 each of Dombivali Nagari Sahakari Bank	0.00	1.00	2.00	2.00
Total	0.00	1.00	2.00	2.00

Annexure – I.11

STATEMENT OF LONG TERM LOANS AND ADVANCES AS RESTATED

(₹ in lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Security Deposits	107.15	102.90	128.55	113.65
Total	107.15	102.90	128.55	113.65

Annexure – I.12

STATEMENT OF INVENTORIES AS RESTATED

(₹ in lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Raw Materials	0.00	0.00	0.00	0.00
Finished Goods	128.77	161.49	290.32	360.88
Semi-Finished Goods	0.00	0.00	0.00	0.00
Total	128.77	161.49	290.32	360.88

Annexure – I.13

STATEMENT OF TRADE RECEIVABLES AS RESTATED

(₹ in lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Receivables O/S for the period exceeding 6 months	0.00	0.00	5.74	9.18
Receivables O/S for the period less than 6 months	267.72	263.84	243.94	356.23
Total	267.72	263.84	249.68	365.41

Annexure – I.14

STATEMENT OF CASH AND CASH EQUIVALENTS AS RESTATED

(₹ in lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Bank balances in current account	120.02	61.05	57.94	44.59
Bank balances in Fixed Deposit	7.00	6.75	30.97	15.35
Cash on hand	14.14	22.68	17.12	30.50
Total	141.16	90.48	106.03	90.44

Annexure – I.15

STATEMENT OF SHORT TERM LOANS AND ADVANCES AS RESTATED

(₹ in lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Loans & Advances to Employees	17.07	14.43	2.41	4.04
Advances given to Vendors	35.49	44.29	52.48	34.99
Total	52.56	58.72	54.89	39.03

Annexure – I.15

STATEMENT OF OTHER CURRENT ASSETS AS RESTATED

(₹ in lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
Balances with Government Authorities	128.27	129.15	138.06	142.54
TDS Receivables	12.01	10.69	0.00	0.00
Prepaid Expenses	3.52	4.63	11.38	5.85
Total	143.80	144.47	149.44	148.39

Annexure – II.1

STATEMENT OF REVENUE FROM OPERATIONS AS RESTATED

(₹ in lakhs)

Particulars	For the FY/Period ended			
	30.09.21	31.03.21	31.03.20	31.03.19
Sale of Products	1,916.92	3,512.92	4,532.90	3,929.29
Sale of Services	1,239.49	1,714.56	2,990.12	2,320.34
Total	3,156.41	5,227.48	7,523.02	6,249.63

Annexure – II.2

STATEMENT OF OTHER INCOME AS RESTATED

(₹ in lakhs)

Particulars	For the FY/Period ended			
	30.09.21	31.03.21	31.03.20	31.03.19
Dividend	0.00	0.00	0.15	0.12
Interest Income	0.10	0.44	1.06	0.00
Miscellaneous Income	0.00	0.00	1.62	0.00
Penalty charges to Franchisee	0.00	0.00	2.12	0.00
MPI Test charges	0.00	0.00	1.76	7.11
Total	0.10	0.44	6.71	7.23

Annexure – II.3

STATEMENT OF PURCHASES AS RESTATED

(₹ in lakhs)

Particulars	For the FY/Period ended			
	30.09.21	31.03.21	31.03.20	31.03.19
Purchases	940.56	1,550.00	2,068.39	1,871.57
Total	940.56	1,550.00	2,068.39	1,871.57

Annexure – II.4

STATEMENT OF CHANGES IN INVENTORIES AS RESTATED

(₹ in lakhs)

Particulars	For the FY/Period ended			
	30.09.21	31.03.21	31.03.20	31.03.19
(a) Inventory at the end of the year				
Finished Goods	128.77	161.49	290.32	360.88
(b) Inventory at the beginning of the year				
Finished Goods	161.49	290.32	360.88	202.21
Changes in Inventories (b-a)	32.72	128.83	70.56	-158.67

Annexure – II.5

STATEMENT OF EMPLOYEE BENEFIT EXPENSES AS RESTATED

(₹ in lakhs)

Particulars	For the FY/Period ended			
	30.09.21	31.03.21	31.03.20	31.03.19
Salaries, Wages and Bonus	834.19	1,256.74	1,923.11	1,399.91
Contribution to PF and other funds	34.64	55.11	68.83	38.11
Gratuity	24.49	21.95	72.52	23.00
Staff Welfare expenses	1.64	1.82	17.95	10.76
Total	894.96	1,335.62	2,082.41	1,471.78

Annexure – II.6

STATEMENT OF OTHER EXPENSES AS RESTATED

(₹ in lakhs)

Particulars	For the FY/Period ended			
	30.09.21	31.03.21	31.03.20	31.03.19
Advertisement Expenses	228.52	325.92	1,225.82	1268.60
Bank charges	6.18	20.24	26.03	12.90
Travelling Expense	16.61	26.67	134.28	150.58
Clinic Expenses	84.81	157.81	170.68	136.20
Telephone and Communication	13.49	27.96	45.41	25.51
Discount given	20.24	26.27	62.35	19.67
Repairs and Maintenance	34.75	130.62	108.48	62.59
Printing & Stationery	8.70	11.56	21.63	80.50
Transport charges	27.02	50.52	56.45	50.02
Power and Fuel	50.15	84.08	109.13	51.42
Office Maintenance	4.78	9.30	10.98	6.52
Commission	0.98	3.17	3.51	13.07
Legal and Professional Fees	312.61	324.67	384.53	375.52
Rent Expenses	154.50	411.94	406.34	332.87
Training and Meeting Expenses	8.50	8.12	108.93	76.84
Rates & Taxes	40.16	107.03	143.56	87.89
Director Sitting fees	6.00	10.16	11.25	12.00
Audit Fees	1.50	3.00	3.00	3.00
Insurance	7.72	8.13	4.58	2.44
Loss on Theft	-	3.69	-	-
TOTAL	1,027.22	1,750.86	3,036.94	2,768.14

Annexure – II.6

STATEMENT OF FINANCIAL EXPENSES AS RESTATED

(₹ in lakhs)

Particulars	For the FY/Period ended			
	30.09.21	31.03.21	31.03.20	31.03.19
Interest Expense	10.88	56.89	93.56	32.32
Interest on late payment of taxes	0.00	0.00	0.00	3.11
Loan processing charges	0.00	0.00	0.00	21.23
Total	10.88	56.89	93.56	56.66

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:

Details of Related parties with whom transactions were entered and their balances as on and for the period ended – September 30, 2021; March 31, 2021; March 31, 2020 & March 31, 2019

Sr. No.	Name	Relation
1	Dr. Rohit Madhav Sane	Director
2	Madhavbaug Cardiac Rehabilitation Centre	Entity Controlled by Promoters
3	V. D. Sane Ayurvedic Edu. Trust	Entity Controlled by Promoters
4	Dynamic Remedies Pvt Ltd	Entity Controlled by relatives of the Promoters
5	UV Ayurgen Pharma Pvt Ltd	Entity Controlled by relatives of the Promoters
6	Madhavbaug Home Health Care	Entity Controlled by Promoters
7	Mr. Shriram Bal	Director

Details of transactions during the year are as follows

Sr No	Nature of transaction	Name of the related party	For the FY/Period ended			
			30.09.21	31.03.21	31.03.20	31.03.19
1	Sale of Product	Madhavbaug Cardiac Rehabilitation Centre	116.23	131.34	241.36	367.47
		Dr. Rohit Madhav Sane	13.97	22.51	32.88	25.19
		V. D. Ayurvedic Sane Trust	429.97	596.50	780.93	245.19
2	Purchase of Product	Dynamic Remedies Pvt Ltd	262.40	531.37	706.68	729.04
		UV Ayurgen Pharma Pvt Ltd	15.95	11.35	1.43	0.40
3	Rent Paid	Dr. Rohit Madhav Sane	3.48	6.71	6.96	6.96
4	Sitting fee	Mr. Shriram Bal	6.00	10.16	11.25	11.70
5	Interest Paid on unsecured loan	Dr. Rohit Madhav Sane	-	-	-	3.09

Details of loans given and received from related parties are as follows:

-For the period ended – September 30, 2021

Sr No	Nature of transaction	Name of the related party	Balance as on 01.04.2021	Receipt	Payment	Balance as on 30.09.2021
1	Repayment of unsecured loan	Dr. Rohit Madhav Sane	1.30	0.61	1.91	-

- For the period ended – March 31, 2021

Sr No	Nature of transaction	Name of the related party	Balance as on 31.03.2020	Receipt	Payment	Balance as on 31.03.2021
1	Repayment of unsecured loan	Dr. Rohit Madhav Sane	11.75	2.74	13.19	1.30
2	Advances given	Madhavbaug Home Health Care	-	18.49	18.49	-

- For the period ended – March 31, 2020

Sr No	Nature of transaction	Name of the related party	Receipt	Payment	Balance as on 31.03.2020	Balance as on 31.03.2019
1	Repayment of unsecured loan	Dr.Rohit Madhav Sane	1.18	21.78	11.75	32.34
2	Advances given	Madhavbaug Home Health Care	15.23	6.62	-	8.61

- For the period ended – March 31, 2019

Sr No	Nature of transaction	Name of the related party	Receipt	Payment	Balance as on 31.03.2019	Balance as on 31.03.2018
1	Repayment of unsecured loan	Dr.Rohit Madhav Sane	169.20	163.18	32.34	38.37
2	Advances given	Madhavbaug Home Health Care	8.61	-	8.61	-

Annexure – VI

STATEMENT OF ACCOUNTING RATIOS AS RESTATED

(₹ in lakhs)

Particulars	30.09.21	31.03.21	31.03.20	31.03.19
EBITDA (₹ in Lacs)	261.05	462.61	271.43	304.04
Net Profit as restated (₹ in Lacs)	135.47	154.70	-55.72	49.59
Net Worth (₹ in Lacs)	1,112.17	976.69	821.99	878.00
Return on Net worth (%)	12.18%	15.84%	-6.78%	5.65%
Equity Share at the end of year (in Nos.)	69,75,000	45,000	45,000	45,000
(Face Value ₹ 10)	10.00	10.00	10.00	10.00
Weighted No. of Equity Shares	69,75,000	45,000	45,000	45,000
Weighted No. of Equity Shares (Considering bonus in all previous years in the ratio of 154:1)	69,75,000	69,75,000	69,75,000	69,75,000
Basic and Diluted Earnings per Equity Share	1.94	343.78	-123.82	110.20
Basic and Diluted Earnings per Equity Share (Considering bonus in all previous years in the ratio of 154:1)	1.94	2.22	-0.80	0.71
Net Asset Value/Book Value per Equity share (Based on no of share at the end of year)	15.95	2,170.43	1,826.65	1,951.12
Net Asset Value/Book Value per Equity share (Considering bonus in all previous years in the ratio of 154:1)	15.95	14.00	11.78	12.59

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 30.09.2021	
Debt :		
Short term debt	178.31	178.31 ⁺
Long term debt	0.00	0.00
Total Debt	178.31	178.31
Shareholders Funds		
Equity Share Capital	697.50	1,051.35*
Reserves and Surplus	414.67	2,375.36
Less: Revaluation Reserves	0.00	0.00
Less: Misc. Expenditure	0.00	0.00
Total Shareholders' Funds	1,112.17	3,426.70
Long Term Debt/ Shareholders' Funds	0.00	0.00
Total Debt / Shareholders Fund	0.16	0.05

*Based on the assumption that IPO of 27,71,200 Equity Shares at the issue price of Rs. 73 will be fully subscribed.

+Short term debts balance is overdraft balance as on 30/09/2021 and given for mere comparative purpose.

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 19, 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 December 7, 2021 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. September 30, 2021:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration
09-10-2021	7,67,250	10	38.00	Rights Issue	Cash

Allotment to Virtuous Capital Limited: 3,58,224 Equity Shares; Vinayak Kudva: 1,30,263 Equity Shares; Santosh Kudva: 1,30,263 Equity Shares; Shripad R. Upasani: 44,550 Equity Shares; Yogesh S. Walawalkar: 44,550 Equity Shares; Gurudatta A. Amin: 44,550 Equity Shares and Darshan S. Shah: 14,850 Equity Shares by way of Rights Issue.

COVID 19 Pandemic:

An outbreak of COVID-19 was recognised as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India, have taken preventive or protective actions such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. Due to a government mandated lockdown in India, our operations were heavily impacted from mid March 2020 to September 2020. We saw a huge decline in our business during first half of Fiscal 2021. We proactively engaged with our patients to reassure them and to demonstrate our commitment to restart our operations and to build confidence in the safety protocols deployed at our clinics and hospitals. As a result, we have since experienced a gradual increase in business in the last quarter of the fiscal 2021.

While progressive relaxations have since been granted for movement of goods and people and cautious re-opening of businesses and offices, selective or partial lockdowns at a local level may be re-introduced, depending on the health risk posed by the pandemic. The vaccination drive is a significant step towards moving beyond the pandemic, however, the possibility of multiple waves of the pandemic and therefore lockdown-like measures remains, as is evident in many countries including India having to reinstate lockdowns due to a ‘second wave’ of the COVID-19 outbreak and the discovery of new mutant strains of the coronavirus. The pandemic outbreak has caused an economic downturn on a global scale, including closures of many businesses and reduced consumer spending, as well as significant market disruption and volatility. The steps taken to counter the effects of the pandemic have resulted in a period of economic downturn and business disruption in India and globally. Our operations are dependent on and directly affected by various factors, including the ability of the various parties involved including clients, suppliers, manpower, consultants etc to carry out their work effectively in a timely manner or at all, which may entail suspended operations and/or delayed execution of our business operations, and may entail additional costs or delay various requirements under different regulations.

In view of the fluidity of the situation and lack of visibility on the timeline for containment of the global pandemic, the recovery trajectory remains uncertain. It is difficult for us to predict the impact that COVID-19 will have on us, our

customers or suppliers in the future. We continue to closely monitor the effect that COVID-19 may have on our business and results of operations. To the extent, the COVID-19 pandemic adversely affects us, it may also significantly increase the effect of the aforementioned factors affecting our results of operations.

Key factors affecting the results of operation:

Our Company’s future results of operations could be affected potentially by the following factors:

Competition

We have created a niche for ourself in healthcare delivery space/industry in which we operate our industry is organised and highly competitive. competition with hospitals, clinics, diagnostic chains and dispensaries of varying sizes with different specialties are on basis of affordability, service offering, quality of healthcare professionals, facilities, brand reputation & patient satisfaction. Some of our competitors are well entrenched privately owned multi-specialty tertiary care hospitals chain having pan India presence we also have competition from chain of clinics and health-tech startups which offer services like Diabetes Reversal this chain of clinics and startup’s are well funded and has ability to scaleup rapidly.

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.

RESULTS OF OUR OPERATION

For the period ended September 30, 2021:

Particulars	For the period ended September 30, 2021	% of Total Income
Income		
Revenue from Operations	3,156.41	
Other Income	0.10	
Total Income	3,156.51	
Purchases	940.56	29.80%
Changes in Inventories	32.72	1.04%
Employee Benefit Expenses	894.96	28.35%
Other Expenses	1,027.22	32.54%
Total Expenditure	2,895.46	91.73%
PBIDT	261.05	8.27%
Interest & Financial Charges	10.88	0.34%
Depreciation	117.45	3.72%
PBT	132.72	4.20%
Tax Expenses	-2.75	-0.09%

Profit After Tax as Restated	135.47	4.29%
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Revenues: The Total Income for the 6 months period ended September 30, 2021 is ₹ 3,156.51 lakhs. The Operating Revenue for 6 months period ended September 30, 2021 is ₹ 3,156.41 lakhs. The revenue include sale of health care services of ₹ 1,239.49 lakhs and sale of dietary products and medicines of ₹ 1916.92 lakhs. Other Income for the 6 months period ended September 30, 2021 was ₹ 0.10 lakhs.

Operating Expenses: The total operating expenditure aggregated to ₹ 2895.46 lakhs which was 91.73% of the Total Income.

Purchases include purchase mainly of medicine, oils and food products. Purchases stood at ₹ 940.56 lakhs which was 29.80% of the total operating expenses and 32.48% of the Total Income.

Changes in Inventory stood at ₹ 32.72 lakhs for the 6 months period ended September 30, 2021.

Other Expenses stood at ₹ 1027.22 lakhs which was 35.48% of the total operating expenses and 32.54% of the Total Income.

Employee Benefit Expenses stood at ₹ 894.96 lakhs which was 30.91% of the total operating expenses and 28.35% of the Total Income.

Depreciation: We incurred Depreciation cost of ₹ 117.45 lakhs, which is 3.72% of our Total Income.

Tax Expenses: Tax impact for the period ended July 31, 2021 is ₹ (-2.75) lakhs, mainly due to deferred tax adjustment.

Profits

Our PBIDT stood at ₹ 261.05 lakhs for the 6 months period ended September 30, 2021 with the PBIDT margin of 8.27%. We recorded PBT of ₹ 132.72 lakhs and PBT margin stood at 4.20%. We recorded Net Profit of ₹ 135.47 lakhs. Our Net Profit Margin stood at 4.29%.

COMPARISON OF FINANCIAL YEARS ENDED MARCH 31, 2021, 2020 AND 2019

The following table sets forth selected financial data from the Restated Financial Statements, the components of which are also expressed as a percentage of total income for the periods indicated:

	(₹ in lakhs)		
Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Income			
Revenue from Operations	5,227.48	7,523.02	6,249.63
Increase/Decrease (%)	-30.51%	20.38%	
Other Income	0.44	6.71	7.23
Increase/Decrease (%)	-93.44%	-7.19%	
Total Income	5,227.92	7,529.73	6,256.86
Increase/Decrease (%)	-30.57%	20.34%	
Expenditure			
Purchases	1,550.00	2,068.39	1,871.57
Increase/Decrease (%)	-25.06%	10.52%	
% to Total Income	29.65%	27.47%	29.91%
Changes in Inventories	128.83	70.56	-158.67
Increase/Decrease (%)	82.58%	-144.47%	

% to Total Income	2.46%	0.94%	-2.54%
Employee Benefit Expenses	1,335.62	2,082.41	1,471.78
Increase/Decrease (%)	-35.86%	41.49%	
% to Total Income	25.55%	27.66%	23.52%
Other Expenses	1,750.86	3,036.94	2768.14
Increase/Decrease (%)	-42.35%	9.71%	
% to Total Income	33.49%	40.33%	44.24%
Total Expenditure	4,765.31	7,258.30	5,952.82
Increase/Decrease (%)	-34.35%	21.93%	
% to Total Income	91.15%	96.40%	95.14%
EBIDTA	462.61	271.43	304.04
Increase/Decrease (%)	70.43%	-10.73%	
% to Total Income	8.85%	3.60%	4.86%
Finance Costs	56.89	93.56	56.66
Increase/Decrease (%)	-39.19%	65.13%	
% to Total Income	1.09%	1.24%	0.91%
Depreciation and Amortization Expense	244.74	222.58	159.22
Increase/Decrease (%)	9.96%	39.79%	
% to Total Income	4.68%	2.96%	2.54%
Profit before Taxation	160.98	-44.71	88.16
Increase/Decrease (%)	-460.05%	-150.71%	
% to Total Income	3.08%	-0.59%	1.41%
Tax Expenses	6.28	11.01	38.57
Increase/Decrease (%)	-42.96%	-71.45%	
% to Total Income	0.12%	0.15%	0.62%
Profit After Tax	154.70	-55.72	49.59
Increase/Decrease (%)	377.64%	-212.36%	
% to Total Income	2.96%	-0.74%	0.79%

FISCAL 2021 COMPARED TO FISCAL 2020

Revenue

Total income decreased by 30.57% to ₹ 5227.92 lakhs for Fiscal 2021 from ₹7529.73 lakhs for Fiscal 2020, primarily due to decrease in overall business and revenue as a result of Covid 19 pandemic and resultant lockdowns.

Revenue from Operations

Revenue from operations decreased by 30.51% to ₹ 5227.48 lakhs for Fiscal 2021 from ₹7523.02 lakhs for Fiscal 2020 primarily due to decrease in overall business and revenue as a result of Covid 19 pandemic and resultant lockdowns. The

revenue include sale of health care services of ₹ 1,714.56 lakhs and sale of dietary products and medicines of ₹ 3512.92 lakhs during fiscal 2021. During Fiscal 2020 sale of health care services stood at ₹ 2990.12 lakhs and sale of dietary products and medicines stood at ₹ 4532.90 lakhs

Other Income

Other income decreased by 93.44% to ₹ 0.44 lakhs for Fiscal 2021 from ₹ 6.71 lakhs for Fiscal 2020.

Expenses

Purchases

Purchases include purchase of medicines, medicinal oils, food products and other consumables. Purchases decreased by 25.06% to ₹ 1550.00 lakhs for Fiscal 2021 from ₹ 2068.39 lakhs for Fiscal 2020. This decrease was primarily a result of decrease in overall business and revenue as mentioned above. Purchases stood at 29.65% of total income during fiscal 2021 and 27.47% of total income during fiscal 2020.

Changes in Inventories of Finished Goods and Work-in-Progress

During fiscal 2021 the change in inventory was ₹128.23 lakhs and in Fiscal 2020 the change in inventory was ₹70.56 lakhs.

Employee Benefits Expense

Employee benefits expense decreased by 35.86% to ₹ 1335.62 lakhs for Fiscal 2021 from ₹ 2082.41 lakhs for Fiscal 2020. Decrease in employee benefits expense primarily reflected decrease in salaries, wages and bonus.

Other Expenses

Other expenses decreased by 42.35% to ₹1750.86 lakhs for Fiscal 2021 from ₹3,036.94 lakhs for Fiscal 2020, primarily as a result of decrease in advertisement expenses, clinic expenses, legal and professional fees and training expenses amongst others. Other expenses stood at 33.49% of total income during fiscal 2021 and 40.33% of total income during fiscal 2020.

Finance Costs

Finance costs decreased by 39.19% to ₹ 56.89 lakhs for Fiscal 2021 from ₹ 93.56 lakhs for Fiscal 2020, primarily reflecting decrease in interest on bank overdraft as a result of lower utilization.

Depreciation and Amortization Expenses

Depreciation and amortization expense increased by 9.96% to ₹ 244.74 lakhs for Fiscal 2021 from ₹222.58 lakhs for Fiscal 2020. Depreciation and amortization expenses 4.68% of total income during fiscal 2021 and 2.96% of total income during fiscal 2020.

Income tax expense

Total income tax expense decreased to ₹6.28 lakhs for Fiscal 2021 from ₹11.01 lakhs for Fiscal 2020, primarily as a result of impact of deferred tax.

Profit for the year after tax

As a result of the foregoing, our profit for the year increased by 377.64% to ₹154.70 lakhs for the financial year 2021 from loss of ₹55.72 lakhs for the financial year 2020.

FISCAL 2020 COMPARED TO FISCAL 2019

Revenue

Total income increased by 20.34% to ₹ 7529.73 lakhs for Fiscal 2020 from ₹6256.86 lakhs for Fiscal 2019, primarily due to increase in overall business and revenue as a result of increase in number of clinics.

Revenue from Operations

Revenue from operations increased by 20.38% to ₹ 7523.02 lakhs for Fiscal 2020 from ₹6249.63 lakhs for Fiscal 2019 primarily due to increase in overall business and revenue as a result of as a result of increase in number of clinics. The revenue include sale of health care services of ₹ 2990.12 lakhs and sale of dietary products and medicines of ₹ 4532.90 lakhs during fiscal 2020. During Fiscal 2019 sale of health care services of ₹ 2320.34 lakhs and sale of dietary products and medicines of ₹ 3929.29 lakhs.

Other Income

Other income decreased by 7.19% to ₹ 6.71 lakhs for Fiscal 2020 from ₹ 7.23 lakhs for Fiscal 2019.

Expenses

Purchases

Purchases include purchase of medicines, medicinal oils, food products and other consumables. Purchases increased by 10.52% to ₹ 2068.39 lakhs for Fiscal 2020 from ₹ 1871.57 lakhs for Fiscal 2019. This increase was primarily a result of increase in purchases due to increase in overall business and revenue. Purchases stood at 27.47% of total income during fiscal 2020 and 29.91% of total income during fiscal 2019.

Changes in Inventories of Finished Goods and Work-in-Progress

During fiscal 2020 the change in inventory was ₹ 70.56 lakhs and in Fiscal 2019 the change in inventory was ₹(158.67) lakhs.

Employee Benefits Expense

Employee benefits expense increased by 41.49% to ₹ 2082.41 lakhs for Fiscal 2020 from ₹ 1471.78 lakhs for Fiscal 2019. Increase in employee benefits expense primarily reflected increase in salaries, wages and bonus.

Other Expenses

Other expenses increased by 9.71% to ₹3036.94 lakhs for Fiscal 2020 from ₹2768.14 lakhs for Fiscal 2019, primarily as a result of decrease in clinic expenses, Power & fuel, rent expense, Gratuity & Rent Equalization, legal and professional fees and training expenses amongst others. Other expenses stood at 40.86% of total income during fiscal 2020 and 44.27% of total income during fiscal 2019.

Finance Costs

Finance costs increased by 65.13% to ₹ 93.56 lakhs for Fiscal 2020 from ₹ 56.66 lakhs for Fiscal 2019.

Depreciation and Amortization Expenses

Depreciation and amortization expense increased by 39.79% to ₹ 222.58 lakhs for Fiscal 2020 from ₹159.22 lakhs for Fiscal 2019. Depreciation and amortization expenses 2.96% of total income during fiscal 2020 and 2.54% of total income during fiscal 2019.

Income tax expense

Total income tax expense decreased to ₹11.01 lakhs for Fiscal 2020 from ₹38.57 lakhs for Fiscal 2019, primarily as a result of impact of deferred tax.

Profit for the year after tax

As a result of the foregoing, our profit for the year decreased by 212.36% to loss of ₹55.72 lakhs for the financial year 2020 from profit of ₹49.59 lakhs for the financial year 2019.

Liquidity and Capital Resources

As on September 30, 2021, our cash and cash equivalents were ₹ 141.16 lakhs. Our principal source of funding has been, and is expected to continue to be, cash generated from our operations, supplemented by funding from bank borrowings and optimization of operating working capital.

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:

1. Unusual or infrequent events or transactions

An outbreak of COVID-19 was recognised as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India, have taken preventive or protective actions such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. Due to a government mandated lockdown in India, our operations were heavily impacted from mid March 2020 to September 2020. We saw a huge decline in our business during first half of Fiscal 2021. We proactively engaged with our patients to reassure them and to demonstrate our commitment to restart our operations and to build confidence in the safety protocols deployed at our clinics and hospitals. As a result, we have since 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 19 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 19 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 other health care 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 66.

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 Company’s business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers.

We are not dependent on single or few customers. The dependence on suppliers is as detailed under:

Particulars	6 months period ended
-------------	-----------------------

	September 30, 2021
Suppliers contribution of our total purchases	
Top 10 (%)	79.28%
Top 5 (%)	67.49%

10. Competitive conditions.

Competitive conditions are as described under “*Industry Overview*” and “*Our Business*” on pages 66 and 76, respectively.

FINANCIAL INDEBTEDNESS

Our Company utilises various credit facilities from banks for conducting its business. Following is a summary of our Company's outstanding borrowings as on September 30, 2021:

Sr. No.	Nature of Borrowing	Amount (₹ in lakhs)
1.	Bank Overdraft	178.31
2.	Unsecured Borrowings	0.00
	Total	178.31

Unsecured Borrowings

There are following secured borrowings as on September 30, 2021:

(₹ in Lakhs)

Particulars	Sanctioned Amount	Outstanding as on 30.09.21	Rate of Interest	Security	Repayment
Bank Overdraft against Property sanctioned by Saraswat Co-op. Bank Ltd. against mortgage of property	200.00 and 400.00	178.31	8.25%	<p>Land & building situated at Survey No. 2, Patwari Halka No. 63, Mouza Salai Khurd, Taluka Katol, Dist Nagpur</p> <p>Flat Nos. 5 & 6, 1st floor, Shriram Bhavan Apartments, Tilak Road, Hirabag Chowk, Shukrawar Peth, Taluka Haveli, Pune</p> <p>501, 5th Floor, Indira Smruti CHS Limited, Parasi Agyari Lane, Jambli Naka, Thane West, Thane, Maharashtra (Owner: Dr. Rohit Madhav Sane)</p> <p>201 B, Bhoomi Velocity, Road No. 23, Above ICICI Bank, Wagle Estate, Thane (West), Thane – 400604, Maharashtra (Owner: Dr. Rohit Madhav Sane)</p>	On Demand
Total	600.00	178.31			

**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

Consumer Complaint:

1. Consumer Complaint No. 89 of 2014, i.e., CC/14/89 was filed by the Complainant, Mr. Ramnath Kashinath Patil in the Consumer Disputes Redressal Forum, Central Mumbai District at Parel, Mumbai on the ground of medical negligence and deficiency in service on account of the Complainant not getting 100 % relief from knee pain in spite of buying the necessary medicines and medical treatment. The said Complaint was dismissed on 28th June, 2017 on merits, with a finding that there was neither any medical negligence nor any deficiency in services rendered. The Complainant thereafter filed Appeal No. 838 of 2017 i.e., A/17/838 in the Maharashtra State Consumer Commission challenging the aforesaid dismissal order dated 28th June, 2017, which is pending for final hearing. He has demanded a sum of Rs. 20,000 plus interest for the treatment and Rs. 50,000 plus interest for mental agony and inconvenience caused and Rs. 20,000 for the cost of the appeal. The matter is pending.

LITIGATION INVOLVING THE DIRECTORS: Nil

LITIGATION INVOLVING OUR PROMOTERS:

1. Case No: Civil Suit 993/2016 (For Specific Relief Act, Section 11-Specific Performance); Land property situated at Survey No. 42/2, Village Mauje Vadivale, Taluka Maval, Dist. Pune, owned by Dr. Rohit Sane and others was agreed on 25.11.2015 for sale at consideration of Rs.60,00,000/- . Accordingly, Rs. 11,00,000/- was paid vide cheque dated 25.11.2015 to Dr. Rohit Sane as token (Advance). Agreement to sale was executed on 27.11.2015 and the same was signed by all respondents except Dr. Usha Potnis due to her unavailability. However, on 04.12.2015, Notice was published in Newspaper "Prabhat" by Dipak Z Sudrik, Advocate on behalf his client stating proposed sale of land to the person called Mr. Karale (Name is not mentioned in Notice, but mentioned in suit). On 16.04.2016, Dr. Rohit Sane returned the Advance of Rs. 11,00,000/- through NEFT. Plaintiff filed civil suit for specific performance with following prayers: 1. Specific Performance for sale of land; 2. If not, Rs. 49,00,000/- plus 18% p.a. Interest as Damage; 3. Stay on sale of land till this case is not finalised. Case is in Evidence stage and Next Hearing date is on January 25, 2022.

2. Case No: 54/2020; at the Court of Judicial Magistrate First Class (JMFC) for Land Survey/ Hissa No.: 89/2, 89/4,89/8, 89/10 is filed by Complainant, Mr. Kamal Datwani against Dr. Rohit Sane, Dr. Rekha Paralkar and Mrs. Madhura Bhide. Complainant has filed a FIR under IPC in Khalapur Police station against the accused for alleged criminal trespassing over the land. Dr. Rohit Sane filed a writ petition 2331/2019 in High court of Bombay (Criminal Appellate Jurisdiction). High Court quashed the FIR and has directed JMFC to dispose off the case. This is still pending with JMFC.
3. Case No: 282/2019 was filed with Revenue Minister of Govt of Maharashtra; for land bearing Survey/ Hissa No.: 84/6, 88/3, 89/6 by Mr. Kamal Datwani against Dr. Rohit Sane, Dr. Rekha Paralkar and Mrs. Madhura Bhide. NA Order was issued by collector of Raigad district and it was objected before Additional Commissioner, Konkan Division by Mr. Kamal Datwani. Additional commissioner ordered rejection of appeal and application for condonation of delay. Mr. Datwani has challenged the said rejection in the court of Honourable Revenue Minister of Govt of Maharashtra, which is still pending and no notice from Revenue Department has been received till date.

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:

Nature of case	Number of cases	Amount involved (in ₹lakhs)
Company		
Direct Tax	Nil	Nil
Indirect Tax – VAT	6	144.35
Indirect Tax – CST	3	0.39
Indirect Tax – Service Tax	2	204.97
Our Promoter		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Our Directors		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Our Group Companies		
Direct Tax	Nil	Nil
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.

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 September 30, 2021, our Company, in its ordinary course of business, has no amount which is due towards trade creditors. As per the above policy, consolidated information of outstanding dues, as at September 30, 2021, 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	<i>(₹ in lakhs)</i>	
	Number of creditors	Amount Outstanding
Dues to small scale undertakings	13	99.38
Material dues to creditors	20	250.50
Other dues to creditors	205	143.35

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.madhavbaug.org. 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.madhavbaug.org, 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 151, 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

Our business and operations require various approvals, licenses, registrations and permits issued by relevant regulatory authorities of the jurisdictions in which we operate under applicable law. Set out below is a list of material and necessary approvals, licenses, registrations and permits obtained by our Company for the purposes of undertaking its business activities and operations. Other than as stated below, no further material approvals, licenses, registrations, or permits are required to undertake the Issue or continue our business activities or operations. Additionally, unless otherwise stated, these approvals, licenses, registrations and permits are valid as on the date of this Prospectus. Certain approvals, licenses, registrations and permits may expire periodically in the ordinary course of business and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures. For further details in connection with the regulatory and legal framework within which we operate, please refer “Key Regulations and Policies” on page 87.

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.

I. Incorporation Details of our Company

- a. Certificate of incorporation dated April 6, 1999 issued by the Registrar of Companies, Pune, Maharashtra in our former name, being Vaidya Sane Ayurved Laboratories Private Limited.
- b. Fresh certificate of incorporation dated November 25, 2021 issued by the Registrar of Companies, Pune, Maharashtra consequent upon change of name on conversion to a public company in the name of Vaidya Sane Ayurved Laboratories Limited.

II. Issue Related Authorizations

1. Our Board of Directors has, pursuant to a resolution passed at its meeting held on November 30, 2021, 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.
2. 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 December 3, 2021.
3. Our Company has obtained in-principle approval dated December 30, 2021 from the NSE.
4. Our Company's International Securities Identification Number (“ISIN”) is INE0JR301013.

III. Tax Approvals in relation to our Company

- a. The Permanent Account Number of our Company is AABCV7806M.
- b. The Tax Deduction Account Number (TAN) of our Company is PNEV00975C.
- c. GST Registration numbers obtained by our Company under The Central Goods and Services Tax Act, 2017 as under:

Sr. No.	State	Registration No. / Reference No. / License No.
1.	Maharashtra	27AABCV7806M1ZV
2.	Gujarat	24AABCV7806M1Z1
3.	Karnataka	29AABCV7806M1ZR
4.	Uttar Pradesh	09AABCV7806M1ZT
5.	Madhya Pradesh	23AABCV7806M1Z3

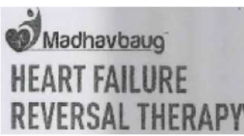

- d. Professional tax registration certificates issued under the Maharashtra State Tax on Professions, Trading, Callings and Employment Act, 1976 and the Gujarat State Tax on Professions, Trading, Callings and Employment Act, 1976;








IV. Business Related Authorisations

- a. We have obtained Udyam registration Certificate from Ministry of Micro, Small and Medium Enterprises, Government of India.
- b. Certificate of Registration from Public Health Department, Zilla Parishad, Nagpur for our Nagpur hospital, valid till March 31, 2023.
- c. We are a registered with Superb Hygienic Disposals as per MPCB norms for safe and secure disposal of Bio Medical Waste for Nagpur Hospital valid till June 30, 2022.
- d. Registration under Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 2003 issued by Public Health Department, Government of Maharashtra for our Nagpur Hospital valid till March 17, 2025.
- e. License under Food Safety and Standards Act, 2006 as a Distributor / Supplier for our Bhiwandi Depot valid till November 27, 2024.
- f. FSSAI license as a marketer of food products valid till October 5, 2023
- g. Certificate of Registration under The Bombay Nursing Home Registration Act, 1949 from Raigad Zilla Parishad for our Khopoli Hospital valid till March 31, 2023.
- h. We are a registered member of CBMW-TSDF at MIDC Taloja for safe and secure disposal of Bio Medical Waste for Khopoli Hospital valid till March 31, 2022.
- i. FSSAI license for our canteen at Khopoli Hospital valid till May 28, 2024.
- j. FSSAI license for our Hospital pharmacy at Khopoli Hospital valid till October 26, 2024.
- k. FSSAI license for our Hospital pharmacy at Nagpur Hospital valid till October 3, 2026.
- l. ISO 9001:2005 for Quality Management System for our Khopoli Hospital.
- m. Registration under Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 2003 issued by Public Health Department, Government of Maharashtra for our Khopoli Hospital valid till April 12, 2025.
- a. Employment related registrations:
 - i. We have been allotted a code under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952.
 - ii. We are registered as commercial establishment with Gujarat Labour Welfare Board.

A. Intellectual Property Registration

We have registered following trademarks with the Trade Mark Registry

Particulars of Mark	Class	Trade Mark Number
	44	3964605
	44	4102184
	44	3944072

		
	44	4348191
	44	4348192
	44	4643298
	9	4558148
	35	3944062
	35	3944066

We have registered following copyright with the Copyright Office, Government of India:

Particulars of Mark	Trade Mark Number
Madhavbaug Medicines Handbook Version 1.0 (Copyright Registration)	L-79748/2018

Including as mentioned above our Company has 40 trademark registered in our name. We have 33 trademarks in the process of registration, which are pending for registration at various stages.

There are 22 trademarks registered in the name of Dr. Rohit Madhav Sane, for which we have applied for IP transfer in the name of our Company.

B. Approvals applied for but not yet received / Renewals made in the usual course of business:

a. FSSAI license for our canteen at Nagpur Hospital.

C. There are no material licenses / approvals for which our Company is yet to apply for / Statutory Approvals / Licenses required.

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 107 of the Prospectus.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

- Our Board has, pursuant to its resolution dated November 30, 2021, authorized the Issue, 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 December 3, 2021, under Section 62(1)(c) of the Companies Act, authorized the Issue.

We have received in-principle approval from NSE *vide* their letter dated December 30, 2021 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 each of the Selling Shareholders have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any 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 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.

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 and members of the Promoter Group, 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 Issue

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Issue.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as we are an Issuer whose post issue paid up capital is more than to Rs. 10 crore and less than Rs. 25 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 NSE Limited*”).

We confirm that:

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue 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 -Underwriting*” beginning on page 43.

2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, our Lead Manager has submitted a soft copy of the Draft Prospectus to SEBI at the time of filing the Draft Prospectus with Stock Exchange. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft 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 - Details of the Market Making Arrangements for this Issue" beginning on page 43.

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 SME Platform of the NSE:-

- a) Our Company was incorporated on April 6, 1999, with the Registrar of Companies, Pune under the Companies Act, 1956 in India.
- b) As on the date of this Prospectus, our Company has a paid-up capital of ₹774.23 lakhs and the Post Issue Paid-up Equity Share Capital will be ₹1,051.35 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:

Particulars	(₹ Lakhs)		
	2020-21	2019-20	2018-19
Profit Before Tax	160.98	-44.71	88.16
Add: Depreciation	244.74	222.58	159.22
Less :Other Income	-0.44	-6.71	-7.23
Positive Cash Accruals (Earnings Before Depreciation andTax)	405.28	171.16	240.15

- e) The networth as per the restated financials of our Company as on September 30, 2021 is ₹1,112.17 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.madhavbaug.org

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft 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 is fully paid-up 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 issue 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 Issue” on page 58.

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) 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 eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013. 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 DECEMBER 8, 2021 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, Pune in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Disclaimer from our Company and the Lead Manager

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU / Issue Agreement entered into between the Lead Manager and our Company dated December 3, 2021 and the Underwriting Agreement dated December 3, 2021 entered into between the Underwriter and our Company and the Market Making Agreement dated January 11, 2022 entered into among the Lead Manager, the Market Maker and our Company.

All information shall be made available by our Company 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.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for our Company, 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 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 Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and 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 this Draft Prospectus has been filed with National Stock Exchange of India Limited for its observations and National Stock Exchange of India Limited 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 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/1412 dated December 30, 2021, 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

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 December 30, 2021 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 SME 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 Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

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, 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.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. A.A. Mohare & Co., Chartered Accountants, have agreed to provide their written consent to include its report on the Statement of Possible Tax Benefits, which may be available to the Company and its shareholders, included in this Prospectus. M/s. A.A. Mohare & Co., Chartered Accountants also have provided their written consent to the inclusion of their report on the Restated Financial Statements of our Company in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing 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 116 and page 64, 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 Issue 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 Issue 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 December 3, 2021 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]- 30 th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]- 90 th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]-180 th calendar days from listing
1.	U. H. Zaveri Ltd	7.99	36.00	22-05-2018	27.00	+0.03(0.02)	-0.30 (+0.10)	+0.40 (+0.03)
2.	Palm Jewels Ltd	8.90	30.00	12-06-2018	37.50	-0.15(+0.02)	-0.25 (+0.06)	+0.26 (-0.02)
3.	S. M. Gold Limited	7.50	30.00	19-10-2018	30.60	-0.11 (+0.02)	-0.12 (+0.05)	+0.01(+0.14)
4.	Veeram Infra Engineering Ltd	10.74	51.00	23-10-2018	53.00	+0.04 (0.03)	-0.05 (+0.08)	+0.63(+0.14)
5.	Novateor Research Laboratories Ltd	4.49	24	13-09-2019	24.00	+0.74(0.02)	+17.08(-0.29)	-57.17(12.20)
6.	Janus Corporation Ltd	7.99	50	06-02-2020	50.70	+6.51(-8.51)	+6.51(-18.15)	+32.05(-18.32)
7.	RO Jewels	4.91	36	25-03-2020	36	-4.96(-2.93)	0(+2.74)	-8.93(3.71)
8.	Party Cruisers Limited	7.75	51	05-03-2021	54	-0.67(-0.01)	-0.65(+0.04)	+0.72(+0.13)
9.	BEW Engineering Limited	3.97	58	16-09-2021	127.60	+2.92(+0.03)	+7.19(-0.02)	N.A.
10.	Nidan Healthcare & Laboratories Limited	50.00	125	12-11-2021	123.90	-51.34(-2.64)	N.A.	N.A.

Note:-

1. The BSE Sensex is considered as the Benchmark Index
2. Prices on BSE or NSE, as applicable, 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 th calendar days from listing			No. of IPOs trading at premium-30 th calendar days from listing			No. of IPOs trading at discount-180 th calendar days from listing			No. of IPOs trading at premium-180 th 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%
2021-22*	2	53.97	-	-	-	1	-	-	-	-	-	-	-	-
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
2018-19	4	35.13	0	0	2	0	0	2	1	0	3	0	0	0

*Upto date of 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 Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

Investor Grievances and Redressal System

The 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. 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 97.

Our Company has appointed CS Abhishek Ajay Deshpande as the Company Secretary and Compliance Officer and he may be contacted at the following address:

Abhishek Ajay Deshpande
Company Secretary and Compliance Officer
201 B, Bhoomi Velocity, Road No. 23,
Above ICICI Bank, Wagle Estate,
Thane (West), Thane – 400604, Maharashtra, India
Tel: +91 7738070019
Fax: Not Available
E-mail: cs@madhavbaug.com
Website: www.madhavbaug.org

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.

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 ISSUE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“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 Issue.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public 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.

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 Issue 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 207.

Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on November 30, 2021 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 December 3, 2021.

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 Issue Price per Share

The face value of the Equity Shares is ₹10.00 each and the Issue Price is ₹73.00 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under “Basis for Issue Price” on page 62. 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 207.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue 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 22, 2021 amongst NSDL, our Company and the Registrar to the Offer; and
- Agreement dated November 16, 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 1,600 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
Issue Opening Date	February 10, 2022
Issue Closing Date	February 15, 2022
Finalization of Basis of Allotment with the Designated Stock Exchange	February 18, 2022
Initiation of Refunds	February 21, 2022
Credit of Equity Shares to Demat Accounts of Allottees	February 22, 2022
Commencement of trading of the Equity Shares on the Stock Exchange	February 23, 2022

The above timetable is indicative and does not constitute any obligation on our Company and the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the 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.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest at the rate of fifteen per cent per annum.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “*General Information – Underwriting*” on page 43.

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 1,600 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 SME Platform of the National Stock Exchange of India Limited 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 National Stock Exchange of India Limited as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations. Our Company may migrate to the main board of National Stock Exchange of India Limited 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 National Stock Exchange of India Limited 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 41 of this Prospectus.

As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue.

Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Restrictions, 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 48, 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 207.

ISSUE STRUCTURE

This Issue 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 179 and 184, respectively.

Following is the Issue structure:

Public issue of up to 27,71,200 Equity Shares of face value of ₹10.00 each of our Company for cash at a price of ₹73.00 per Equity Share (including a share premium of ₹63.00 per Equity Share) ("**Issue Price**") aggregating to ₹2,022.98 lakhs ("**the Issue**") of which 1,40,800 Equity Shares aggregating to ₹102.78 lakhs will be reserved for subscription by Market Maker ("**Market Maker Reservation Portion**"). The Issue less the Market Maker Reservation Portion i.e. issue of 26,30,400 Equity Shares of face value of ₹10.00 each at an Issue Price of ₹73.00 per equity share aggregating to ₹1,920.19 lakhs is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 26.36% and 25.02%, respectively of the post issue paid-up equity share capital of our Company.

Particulars	Net Issue to Public [^]	Market Maker reservation portion
Number of Equity Shares	26,30,400 Equity Shares	1,40,800 Equity Shares
Percentage of Issue Size available for allocation	94.92% of the Issue Size (50% for the Retail Individual Investors and the balance 50% for Other than Retail Individual Investors).	5.08% of the Issue Size
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 1,600 Equity Shares and Further allotment in multiples of 1,600 Equity Shares each. For further details please refer to the section titled " <i>Issue Procedure</i> " on page 187.	Firm Allotment
Mode of Application*	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).	
Minimum Application Size	<u>For QIB and NII:</u> Such number of Equity Shares in multiples of 1,600 Equity Shares at an Issue price of ₹73 each such that the Application Value exceeds ₹2,00,000 <u>For Retail Individuals:</u> 1,600 Equity Shares at an Issue price of ₹73 each.	1,40,800 Equity Shares at an Issue price of ₹73 each.
Maximum Application	<u>For QIB and NII:</u> The maximum application size is the Net Issue to public i.e. 26,30,400 Equity Shares, subject to limits the investor has to adhere under the relevant laws and regulations as applicable. <u>For Retail Individuals:</u> 1,600 Equity Shares at an Issue price of ₹73 each.	1,40,800 Equity Shares at an Issue price of ₹73 each.
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	1,600 Equity Shares	1,600 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the

Particulars	Net Issue to Public [^]	Market Maker reservation portion
		SEBI (ICDR) Regulations.
Terms of payment	The entire Application Amount will be payable at the time of submission of the Application Form.	

This Issue 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 Issue' on page 179.

*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, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue 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 National Stock Exchange of India Limited for listing of Equity Shares offered through this issue on its SME Platform, which the Company shall apply for after Allotment and,

In case, the Company wishes to withdraw the Issue after Issue opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The 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

Issue Opening Date	February 10, 2022
Issue Closing Date	February 15, 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 National Stock Exchange of India Limited after taking into account the total number of Applications received up to the closure of timings and reported by Lead Manager to National Stock Exchange of India Limited 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.

ISSUE 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 Draft Prospectus/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 Issue.

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 (—UPII) 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.

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.

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 National Stock Exchange of India Limited (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue 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 ⁽¹⁾
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 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 Issue, 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 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:

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 application details, including UPI ID, in the electronic bidding 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>

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.

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 Issue;
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 Issue, 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 Issue. 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 1,600 Equity Shares and in multiples of 1,600 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 1,600 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 Issue 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 Issue 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 FIIIs 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 Issue 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 Issue 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 Issue 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 Issue.
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.

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 ₹ 73 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.

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 Issue is being made through the Fixed Price Process wherein 1,40,800 Equity Shares shall be reserved for Market Maker. 13,15,200 Equity Shares having face value of ₹10.00 each at a price of ₹73 per Equity Share aggregating ₹960.10 lakhs will be available for allocation to Retail Individual Investors. 13,15,200 Equity Shares having face value of ₹10.00 each at a price of ₹73 per Equity Share aggregating ₹960.10 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 December 3, 2021 this issue 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	investorcomplaints@focl.in	+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. 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

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 front 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 Issue 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. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified 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 Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

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;

UTILIZATION OF THE 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 Issue.

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

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

Public Company

3. The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013.

Share capital and variation of rights

4. (i) The Authorised Share Capital of the Company shall be as laid down in Memorandum of Association of the Company.

(ii) Subject to the provisions of the Companies Act 2013 and the applicable Rules made there under, the Company / Board shall have power to issue / allot shares, whether on preferential basis or otherwise, from time to time and the shares shall be under the control of the Directors who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such times as the Directors think fit.

5. (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.

6. (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 company may issue new share certificates pursuant to consolidation or sub-division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate(s). Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(iii) The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.

7. Except as required by law, no person shall be recognized 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 recognize (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.

8. (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 there under.

(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.

9. (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.

10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

11. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien

12. (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 the case of partly paid shares the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.

13. 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.

14. (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.

15. (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.

Calls on shares

16. (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) The option or right to make call on shares shall not be given to any person except with the sanction of the Company in General Meetings. That is, it may delegate power to make calls on shares subject to approval of the shareholder in a general meeting of the company.

17. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19. (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.

20. (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.

21. 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 but shall not confer a right to dividend or to participate in profits.

Transfer of shares

22. (i) The Company shall use a Common form of transfer. 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.

23. 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.
24. 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.
25. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, 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.

26. Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a 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 Company on any account whatsoever.

Transmission of Shares

27. (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.

28. (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.

29. (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.

30. 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.

Forfeiture of Shares

31. If a member fails to pay any call, or installment 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 installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

32. 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.

33. 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.

34. (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.

35. (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.

36. (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

(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.

37. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of Capital

38. 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. The Authorised Share Capital shall be as per the clause V (a) of Memorandum of Association of the company.

39. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) increase its authorised share capital by such amount as it thinks expedient.
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid- up shares of any denomination;
 - (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (e) 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.

40. 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.

41. 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.

Capitalisation of profits

42. (i) The company through its Board of Directors meeting or through general meeting, 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, Securities Premium Accounts 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);
 - (iii) 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;
 - (iv) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
43. (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 infractions; 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.

Dematerialisation of Securities

44. For the purpose of this Article:-

"Beneficial Owner": Beneficial Owner shall have the meaning assigned thereto in section 2(1)(a) of the Depositories Act, 1996.

"Depositories Act": Depositories Act shall mean the Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

"Depository": Depository shall mean a Depository as defined in section 2(1)(e) of the Depositories Act, 1996.

"Member": Member shall mean a duly registered holder from time to time of the security of the company and includes every person whose name is entered as beneficial owner in the records of the Depository.

"Security": Security shall mean such security as may be specified by SEBI.

"Dematerialisation of Securities": Notwithstanding anything on the contrary contained in this Article, the company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form and further to rematerialise the securities held on depository pursuant to the Depositories Act, 1996 or any amendment thereof.

"Option to hold securities in physical form or with depository": Every person holding securities of the company through allotment or otherwise shall have the option to receive and hold the same in the dematerialised form with a depository.

"Beneficial Owner may opt out of a Depository": Every person holding securities of the company with a depository, being the beneficial owner thereof, may at any time opt out of the depository in the manner provided under the provisions of the Depositories Act and the Rules, if any, prescribed there under and on fulfilment of the conditions prescribed by the company from time to time, company shall issue the relevant security certificates to the beneficial owner thereof.

"Securities in Depositories to be in fungible form": All securities held by a depository shall be dematerialised and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

"Rights of depository and beneficial owners": A depository shall be deemed to be the registered owner for the purposes of affecting the transfer of ownership of securities on behalf of the beneficial owners and shall not have any voting rights or any other rights in respect of the securities held by it.

Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all the liabilities in respect of his/her securities, which are held by a depository.

"Transfer of securities": Transfer of security held in a depository will be governed by the provisions of the Depository Act, 1996. Nothing contained in Section 56 of the Companies Act, 2013 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.

"Register and Index of beneficial owners": The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.

"Other matters": Notwithstanding anything contained in these Articles, the provision of Depositories Act, 1996 relating to dematerialisation of securities including any modification(s) or re-enactment thereof and Rules/Regulations made there under shall prevail accordingly.

Notwithstanding anything contained in the Act or the Articles, 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 disks.

Nomination

45. Notwithstanding anything contained in Articles, every holder of shares(s) or debenture(s) of the Company may, at any time, nominate, in the prescribed manner, a person to whom these share(s) shall vest in the event of his death and the provisions of Section 109A and Section 109B of the Companies Act, 1956 shall apply in respect of such nomination.

The provisions of this Article shall apply mutatis mutandis to a depository of money with the Company as per the provisions of Section 58A of the Act.

Buy-Back of Shares

46. 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

47. All general meetings other than Annual General Meeting shall be called extraordinary general meeting.

48. (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

49. (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.

- (iii) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- (iv) 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.
- (v) 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

- 50. (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

- 51. 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.
- 52. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 53. (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.
- 54. 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.
- 55. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 56. 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.
- 57. (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

58. 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.

59. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

60. 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

61. The minimum number of Directors shall be 3 and maximum number of directors shall be 15. The following shall be the First Directors of the Company:

1. Mr. Madhav Dattaray Sane
2. Mr. Kiran Vasant Bhide
3. Mrs. Madhura Atul Bhide
4. Mr. Sanjay Babanrao Sonawane

62. (i) Subject to the provisions of the Act, the Company may pay any remuneration, as determined by the Board of Directors / General Meeting to all or any of its Directors for the services rendered by them / him in day to day management of the affairs of the company or any other type of services, whether professional in nature or not, for any of the purposes of the company, either by a fixed sum on monthly or annual basis and / or perquisites and / or a percentage of the profits or otherwise as may be determined by the Board or the members in General Meeting.

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.

63. The Board may pay all expenses incurred in getting up and registering the company.

64. 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

65. 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.

66. 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.

67. (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.

Proceedings of the Board

68. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) Subject to the Articles herein, a director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(iii) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(iv) 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) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board. A committee may elect a Chairperson of its meetings.

72. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

73. (i) A committee may meet and adjourn 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.

74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

75. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

76. 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.

77. 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

78. The business of the Company may be carried on by the Managing Director(s) who may be appointed by the Board of Directors / members in their General Meeting, from time to time who shall fix the terms, qualifications, remuneration, duties, authorities and powers. The Board may from time to time and subject to the provisions of the Act delegate to the Managing Director(s) such of their powers and duties and subject to such limitations and conditions as they may deem fit. The Board may from time to time, revoke, withdraw, alter or vary all or any of the powers conferred on him or dismiss him from office and appoint another in his place.

79. Subject to the provisions of section 179 and 180 of the Companies Act, 2013, the Managing Director of the Company, if any, shall be empowered to carry on the day to day business affairs of the Company. He shall have the general control, management and superintendence of the business of the Company with power to appoint and to dismiss employees and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts, deeds and things which in the ordinary course of business may be considered necessary/proper or in the interest of the Company.

The Seal

80. (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

81. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

82. 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.

83. (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 equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, 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.

84. (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.

85. 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.

86. (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

87. 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.

88. 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.

89. No dividend shall bear interest against the company.

90. No unclaimed Dividend shall be forfeited before the claim becomes barred by law, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act

Accounts

91. (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.

Winding Up

92. 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.

93. 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.

94. 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

95. 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.

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 Fl. 5, 1047, Shriram Bhawan, Shukrawar Peth, Pune – 411002, Maharashtra, India, and our office in Thane located at 201 B, Bhoomi Velocity, Road No. 23, Above ICICI Bank, Wagle Estate, Thane (West), Thane – 400604, 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 December 3, 2021 between our Company and the Lead Manager.
2. Agreement between Bigshare Services Private Limited and our Company dated December 3, 2021 appointing them as the Registrar to the Issue.
3. Underwriting Agreement dated December 3, 2021 between our Company and Underwriter.
4. Market Making Agreement dated January 11, 2022 between our Company, Lead Manager and Market Maker.
5. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated November 22, 2021.
6. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated November 16, 2021.
7. Banker to the Issue and Sponsor Bank Agreement dated January 19, 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 “*Vaidya Sane Ayurved Laboratories Private Limited*” dated April 6, 1999 issued by the Registrar of Companies, Pune.
2. Fresh Certificate of Incorporation consequent upon conversion to Public Limited Company in the name of ‘*Vaidya Sane Ayurved Laboratories Limited*’ dated November 25, 2021 issued by the Registrar of Companies, Pune.
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 November 30, 2021 authorizing the Issue.
5. Certified true copy of the special resolution of the Shareholders passed at the Extraordinary General Meeting dated December 3, 2021 authorizing the Issue.
6. Statement of Tax Benefits dated November 30, 2021 issued by our Statutory Auditor, M/s. A. A. Mohare & Co., Chartered Accountants.
7. Report of our Statutory Auditor, M/s. A. A. Mohare & Co., Chartered Accountants dated December 7, 2021, on the Restated Financial Statements included in this Prospectus.
8. Deployment Certificate from our Statutory Auditor, M/s. A. A. Mohare & Co., Chartered Accountants dated January 21, 2022.
9. Copies of annual reports of our Company for Fiscal 2019, 2020, 2021 and financial statements for 6 months period ended September 30, 2021.

10. Employment Agreement dated December 2, 2021 with Dr. Rohit Madhav Sane for his appointment as Managing Director and CEO.
11. Certified true copy of the resolution dated September 13, 2021 passed at the AGM, appointing Dr. Vidyut B. Ghag as the Whole-time Director of our Company.
12. Consents of Directors, Chief Financial Officer, Company Secretary and Compliance Officer, Statutory Auditor, Legal Advisor to the Issue, Banker to the Company, Lender to the Company, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue, to act in their respective capacities.
13. Due Diligence Certificate dated December 8, 2021 from the Lead Manager to NSE.
14. Due Diligence Certificate dated January 25, 2022 from the Lead Manager to SEBI.
15. Copy of in-principle approval from NSE *vide* letter dated December 30, 2021 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 Vaidya Sane Ayurved Laboratories Limited

Name and designation	Signature
Dr. Rohit Madhav Sane <i>Managing Director & CEO</i>	Sd/-
Dr. Vidyut B. Ghag <i>Executive Director</i>	Sd/-
Dr. Mahesh P. Kshirsagar <i>Independent Director</i>	Sd/-
Mr. Ratnakar V. Rai <i>Independent Director</i>	Sd/-
Dr. Sushrut R. Dambal <i>Independent Director</i>	Sd/-

Signed by the – Chief Financial Officer**Darshan S. Shah**

Sd/-

Place: Thane

Date: January 25, 2022