



MEDISTEP HEALTHCARE LIMITED

Corporate Identification Number: U21009GJ2023PLC141841

REGISTERED OFFICE		CORPORATE OFFICE		CONTACT PERSON
05, S. No-245/B, Plot-19, T.P.S. 56, Free Way Trade Center, Nr.A-One Hotel, N.H.-8, Narol Gam, Narol ,Ahmadabad City, Daskroi, Gujarat, India, 382405		NA		Ms. Jagriti Sharma Company Secretary and Compliance Officer
EMAIL Info@medistephc.com		TELEPHONE +91 87808 46963		WEBSITE www.medistephc.com
Promoters of our company: Girdhari Lal Prajapat, Dabhi Vipul Gobarbhay & Prajapati Hetalben Girdharilal				
DETAILS OF OFFER TO PUBLIC				
TYPE	FRESH ISSUE SIZE (Rs. In Lakh)	OFFER FOR SALE SIZE (Rs. In Lakh)	TOTAL OFFER SIZE (Rs. In Lakh)	ELIGIBILITY AND RESERVATION
Fresh Issue and Offer for Sale	37,44,000 Equity Shares of face value of Rs.10/- each for cash at a price of Rs. [●]/- per equity share aggregating to Rs. [●] /- Lakh	NA	37,44,000 Equity Shares of face value of Rs.10/- each for cash at a price of Rs. [●]/- per equity share aggregating to Rs. [●] /- Lakh	THIS OFFER IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED.
DETAILS OF OFFER FOR SALE				
NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/AMOUNT	WEIGHTED AVERAGE COST OF ACQUISITION (IN ₹ PER EQUITY SHARE) *	
NA	NA	NA	NA	
RISK IN RELATION TO THE FIRST OFFER:				
This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 10/- each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in "Basis for Issue Price" on page no [●] of this draft prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.				
GENERAL RISK				
Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page no. [●] of this Draft Prospectus.				
ISSUER'S ABSOLUTE RESPONSIBILITY				
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue which is material in the context of this Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.				
LISTING				
The Equity Shares of our Company offered through this Draft Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Draft Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.				
LEAD MANAGER TO THE ISSUE				
NAME & ADDRESS		CONTACT PERSON		EMAIL & TELEPHONE AND WEBSITE
 FAST TRACK FINSEC PRIVATE LIMITED Registered Office: Office No. V-116, 1 st Floor, New Delhi House, 27, Barakhamba Road, New Delhi – 110001 SEBI registration number: INM000012500 CIN: U65191DL2010PTC200381		Ms. Sakshi		Email: mb@ftfinsec.com investor@ftfinsec.com Telephone: +91 011 43029809 Website: www.ftfinsec.com
REGISTRAR TO THE ISSUE				
NAME & ADDRESS		CONTACT PERSON		EMAIL AND TELEPHONE
 CAMEO CORPORATE SERVICES LIMITED Address: - "Subramaniam Building", No. 1, Club House Road, Chennai-600002 SEBI Registration No.: INR000003753		Ms. K. Sreepriya		Email: ipo@cameoindia.com Tel No: +91-44-40020700/28460390 Website: www.cameoindia.com
OFFER PROGRAMME				
ISSUE OPENS ON				[●]
ISSUE CLOSE ON				[●]



MEDISTEP HEALTHCARE LIMITED

Our Company was originally incorporated on June 05, 2023 as 'Medistep Healthcare Limited', as a Public limited company under the Companies Act, 2013 bearing Corporate Identification Number U21009GJ2023PLC141841 pursuant to Certificate of Incorporation issued by Registrar of Companies, Ahmedabad. Thereafter our company acquired the business of Proprietorship Concern of one of our Promoter **Mrs. Prajapati Hetalben Girdharilal** viz, *M/s MG Pharma* through the business transfer agreement dated July 02, 2023. Subsequently the business of the sole proprietorship firm was transferred into Medistep healthcare Limited For more details of Incorporation and Registered Office of our Company, please refer to chapter titled 'Our History and Certain Other Corporate Matters' on page no. [●] of this Draft Prospectus For further details of our Company, please refer to chapter titled "General Information" and "Our History and Certain Other Corporate Matters" beginning on page no. [●] of this Draft Prospectus.

Registered office: 05, S. No-245/B, Plot-19, T.P.S. 56, Free Way Trade Center, Nr. A-One Hotel, N.H.-8,

Narol Gam, Narol, Ahmadabad City, Daskroi, Gujarat, India, 382405

Tel: +91 87808 46963 **E-mail:** Info@medistephc.com, **Website:** www.medistephc.com

Contact Person: Ms. Jagriti Sharma, Company Secretary and Compliance Officer

PROMOTER OF THE COMPANY: MR. GIRDHARI LAL PRAJAPAT, MR. DABHI VIPUL GOBARBHAI AND MRS. PRAJAPATI HETALBEN GIRDHARILAL

THE ISSUE

INITIAL PUBLIC OFFERING OF UP TO 37,44,000 EQUITY SHARES OF Rs. 10/- EACH ("EQUITY SHARES") OF MEDISTEP HEALTHCARE LIMITED ("THE "COMPANY") FOR CASH AT A PRICE OF Rs. [●]/- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING TO Rs. [●]/- LAKH ("THE OFFER"). OUT OF THE OFFER, [●] EQUITY SHARES AGGREGATING TO Rs. [●]/- LAKH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION I.E. OFFER OF [●] EQUITY SHARES OF FACE VALUE OF Rs. 10.00/- EACH AT AN ISSUE PRICE OF Rs. [●]/- PER EQUITY SHARE AGGREGATING TO Rs. [●]/- LAKH IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE [●] % AND [●] %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10/- EACH AND THE ISSUE PRICE OF RS. [●]/- THE OFFER PRICE IS [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

In terms of rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR"), this issue is being made for at least 25% of the post issue paid up equity share capital of the company. This issue is being made through fixed price process in accordance and in compliance with chapter IX and other applicable provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations, 2018"), wherein a minimum 50% of the net issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance equity shares in that portion will be added to the Non-Retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid applications being received from them at or above the issue price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. For further details please refer the section titled 'Issue Information' beginning on page [●].

All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility process including through UPI mode (as applicable) for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For further details, please refer to section titled "Issue Procedure" beginning on page [●] of this Draft Prospectus. A copy of Prospectus will be delivered to the Registrar of Companies for filling in accordance with the Section 26 of the Companies Act, 2013.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 10 each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in "Basis for Issue Price" on page [●] should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page [●] of this Draft Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft 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 Draft 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 Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The selling shareholders accept responsibility for and confirm the statements made by them in this Draft Prospectus to the extent of information specifically pertaining to them and their respective portion of the offered shares and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares offered through the Draft Prospectus are proposed to be listed on the EMERGE Platform of NSE ("NSE EMERGE"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received In-Principle Approval letter dated [●] from NSE for using its name in this 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 the NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE").

LEAD MANAGER



FAST TRACK FINSEC PRIVATE LIMITED

Registered Office: Office No. V-116, 1st Floor, New Delhi House, Barakhamba Road, New Delhi – 110001

SEBI registration number: INM000012500

Contact Person: Ms. Sakshi

Email: mb@ftfinsec.com ; investor@ftfinsec.com

Website: www.ftfinsec.com

Tel No.: +91-11-43029809

REGISTRAR TO THE ISSUE



CAMEO CORPORATE SERVICES LIMITED

Address: - "Subramaniam Building", No. 1, Club House Road, Chennai-600002

SEBI Registration No.: INR000003753

Contact Person: Ms. K. Sreepriya

Email: ipo@cameoindia.com

Website: www.cameoindia.com

Tel No: +91-44-40020700/28460390

OFFER PROGRAMME

ISSUE OPENS ON	[●]
ISSUE CLOSE ON	[●]

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SECTION I - GENERAL

DEFINATION AND OTHER ABBREVIATION

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise implies or requires, or unless otherwise specified, shall have the meaning as assigned below. References to statutes, rules, regulations, guidelines and policies will, unless the context otherwise requires, be deemed to include all amendments, modifications and replacements notified thereto, as of the date of this Draft Prospectus, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. The words and expressions used in this Draft Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Further, the Offer related terms used but not defined in this Draft Prospectus shall have the meaning ascribed to such terms under the General Information Document. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail. Notwithstanding the foregoing, terms in “Industry Overview”, Key Regulations and Policies”, “Statement of Special Tax Benefits”, “Financial Information”, “Basis for Issue Price”, “Outstanding Litigation and Other Material Developments”, “Restriction on Foreign Ownership of Indian Securities” and “Main Provisions of Articles of Association”, on pages **102,156, 99, 196, 89, 254, 308, and 310**, respectively, will have the meaning ascribed to such terms in those respective sections.

GENERAL AND COMPANY RELATED TERMS

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer”, or “MHL” or “Medistep”	Medistep Healthcare Limited, a Company incorporated under the Companies Act, 2013, having its registered office at 05, S.NO-245/B, Plot-19, T.P.S. 56, Free Way Trade Center, Nr. A-One Hotel, N.H.-8, Narol Gam, Narol, Ahmedabad City, Daskroi, Gujarat, India, 382405.
Our Promoters	Dabhi Vipul Gobarbhay, Girdhari Lal Prajapat and Prajapati Hetalben Girdharilal are the promoters of our Company
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “Our Promoters and Promoter’s Group”.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our company
“you”, “your”, or “yours”	Prospective investors in this issue

COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company amended from time to time.
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled “Our Management” on page 170 of this Draft Prospectus.
Auditor / Statutory Auditor/ Peer	Statutory and peer review auditor of our Company, namely, Kapish Jain & Associates,

Term	Description
Review Auditor	Chartered Accountants.
Bankers to the Company	Banker to our Company, namely ICICI Bank Limited
Board of Directors / Board/BOD	The Board of Directors of the Company unless otherwise specified.
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. U21009GJ2023PLC141841
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Jagdish Prajapati.
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being Ms. Jagriti Sharma.
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Director(s)/ our directors	The Director(s) of our company, unless otherwise specified.
DP/ Depository Participant	A depository Participant as defined under the Depositories Act.
DP ID	Depository's Participant's Identity Number.
Equity Shares	Equity Shares of our Company of face value of ₹ 10/- each unless otherwise specified in the context thereof
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company
Executive Director/ ED	Executive Directors of our Company, which includes our Managing Director
Group Companies	Companies with which there have been related party transactions, during the last three financial years and the period ended June 30, 2024, as covered under the applicable accounting standards and other companies as considered material by the Board in accordance with the materiality policy adopted by the Board of Directors in their meeting held on July 05, 2024. Such companies are included in the chapter titled "Our Group Company" beginning on page 191 of this Draft Prospectus.
HNI	High Net-worth Individuals
HUF	Hindu Undivided Family
Independent Director	A Non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Khoda Anandbhai Jitendrabhai and Dodiya Kapilbhai Raysinhbhai are the Independent Directors of our Company
Indian GAAP	Generally Accepted Accounting Principles in India

Term	Description
ISIN	International Securities Identification INE0UOY01019
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “Our Management” on page 170 of this Draft Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on July 05, 2024 in accordance with the requirements of the SEBI ICDR Regulations.
Managing Director / MD	The Managing Director of our Company, namely Girdhari Lal Prajapat.
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted on July 05, 2024 in accordance with Companies Act, 2013. For details refer section titled “Our Management” on page 170 of this Draft Prospectus.
Non-Residents	A person resident outside India, as defined under FEMA
Non-Executive Director	Prajapati Hetalben Girdharilal is the Non-Executive Directors of our Company.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000
Registered Office	The registered office of our Company, which is situated at 05, S.NO-245/B, Plot-19, T.P.S. 56, Free Way Trade Center, Nr. A-One Hotel, N.H.-8, Narol Gam, Narol, Ahmedabad City, Daskroi, Gujarat, India, 382405.
Restated Financial Information/ Restated Financial Statements/	The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities of our Company as at June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the related Restated Statement of Profit & Loss and the Restated Cash Flow Statement for the period ended June 30, 2024 and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022, along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
ROC / Registrar of Companies	Registrar of Companies, Ahmedabad, having its office at Registrar of Companies, ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI (ICDR) Regulations/ICDR Regulation/ Regulation	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended.
Senior Management	Senior management of our Company determined in accordance with Regulation 2(1) (bbbb) of the SEBI ICDR Regulations. For details, see “Our Management” on page 170 of this

Term	Description
	Draft Prospectus.
Shareholders	Shareholders of our Company, from time to time.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “Our Management” on page 170 of this Draft Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited.
Subscribers to MOA	Initial subscribers to MOA and AOA being Mr. Dabhi Vipul Gobarbhai, Mr. Girdhari Lal Prajapat, Mrs. Prajapati Hetalben Girdharilal, Mrs.Dabhi Dharmishtaben V, Mr. Vishnu Kumar, Mr. Vicky Mahadev Agrawal, Mrs. Nishakumari Vicky Agrawal

ISSUE RELATED TERMS

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allotment Advice	Note or advice or intimation of Allotment sent to successful Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allotment/Allot/Allotted	Unless the context otherwise requires, the issue and allotment of Equity Shares, pursuant to the Issue to the successful Applicants.
Allottee(s)	The successful Applicant to whom the Equity Shares are allotted.
Applicant/Investor	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the chapter “ISSUE PROCEDURE - BASIS OF ALLOTMENT” on page no. 283 of this Draft Prospectus.
Bankers to our Company	ICICI Bank Limited
Bankers to the Issue and Refund Banker	[•]
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Draft Prospectus	The Draft Prospectus dated December 30, 2024 issued in accordance with Section 26 of the Companies Act filed with the National Stock Exchange of India Limited under SEBI(ICDR)Regulations
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.

Issue Agreement	Agreement dated December 02, 2024 entered amongst our Company and the Lead Manager, pursuant to which certain arrangements have been agreed to in relation to the Issue.
Issue Opening Date	The date on which the Issue opens for subscription.
Issue Closing date	The date on which the Issue closes for subscription.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of 37,44,000 Equity Shares of each at Rs.10/- per Equity Share including share premium of [●] per Equity Share aggregating to [●] Lakh by Medistep Healthcare Limited
Issue Price	The price at which the Equity Shares are being issued by our Company through this Draft Prospectus, being Rs. [●]
LM / Lead Manager	Lead Manager to the Issue, in this case being Fast Track Finsec Private Limited
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Regulation to be signed between our company and the Emerge Platform of NSE.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of Rs. 10/- each at [●] per Equity Share including share premium of Rs. [●] per Equity Share aggregating to Rs. [●] by Medistep Healthcare Limited
Prospectus	The Prospectus, to be filed with the ROC containing, inter alia, the Issue opening and closing dates and other information
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Refund Bank	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being
Registrar / Registrar to the Issue	Registrar to the Issue being Cameo Corporate Services Limited
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs.2,00,000
SCSB or Self Certified Syndicate Bank	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
Emerge Platform of NSE Limited	The Emerge Platform of National Stock Exchange of India Limited for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange.
Underwriter	Underwriter to the issue is [●]
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated [●].
Working Days	<p>i. Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday;</p> <p>ii. Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and in terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, 2018</p>

CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS

Term	Description
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupee
“Consolidated FDI Policy” or “FDI Policy”	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification issued by DPIIT, effective from October 15, 2020
“Financial Year” or “Fiscal Year” or “FY”	Period of 12 months ending March 31 of that particular year
“OCBs” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act 1956	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder

Term	Description
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder
CS	Company Secretary
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
ECB	External Commercial Borrowings
ECB Master Directions	Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 issued by the RBI
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/Fiscal	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
FIR	First information report
FPIs	Foreign portfolio investors as defined and registered under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations, 2000
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)

Term	Description
ICAI	Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended from time to time
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
Mn / mn	Million
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
Net Worth	Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
NR	Non-resident or person(s) resident outside India, as defined under the FE
NRE	Non- residential external
NRE Account	Non- residential external account

Term	Description
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non- resident ordinary
NRO Account	Non-resident ordinary account
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
OCI	Overseas Citizen of India
ODI	Off-shore Derivate Instruments
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R&D	Research and Development
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SAT	Securities Appellate Tribunal
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, as amended
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019

Term	Description
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a state in India
State Government	The Government of a State of India
Stock Exchange	Unless the context requires otherwise, refers to, the National Stock Exchange of India Limited
TDS	Tax Deducted at Source
Trademarks Act	Trademarks Act, 1999, as amended
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

INDUSTRY RELATED TERMS

Term	Description
ACA	The Affordable Care Act
ACOs	Accountable Care Organizations
“Adjusted EBIT”	Adjusted EBIT is defined as earnings before interest and taxes adjusted for exceptional items. Adjusted EBIT is a non-GAAP measure. For a reconciliation of Adjusted EBIT, see “Other

Term	Description
	Financial Information – Non-GAAP Measures” on page 236
“Adjusted EBITDA”	Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortisation adjusted for exceptional items. Adjusted EBITDA is a non-GAAP measure. For a reconciliation of Adjusted EBITDA, see “Other Financial Information – Non-GAAP Measures” on page 236
“Adjusted EBITDA Margin”	Adjusted EBITDA Margin is calculated as Adjusted EBITDA for a given period/year as a percentage of total income for that period/year. Adjusted EBITDA Margin is a non-GAAP measure. For a reconciliation of Adjusted EBITDA Margin, see “Other Financial Information – Non GAAP Measures” on page 236
“Adjusted RoCE”	Adjusted RoCE refers to Adjusted Return on Capital Employed, and is calculated by dividing Adjusted EBIT for a given period/year by Capital Employed (i.e., total equity plus Net Debt) as of the end of that period/year. Adjusted RoCE is a non-GAAP measure. For a reconciliation of Adjusted RoCE, see “Other Financial Information – Non-GAAP Measures” on page 236
AIIMS	All India Institute of Medical Services
“ANDA”	Abbreviated New Drug Application
“API”	Active pharmaceutical ingredient
ARVs	Antiretrovirals
“ASM”	Additional Surveillance Measures
“Capital Employed”	Capital Employed is calculated as the sum of total equity plus Net Debt as of the end of a given period/year. For a reconciliation of Capital Employed, see “Other Financial Information – Other reconciliations and information” on page 236
“Capital expenditure incurred”	Capital expenditure incurred is calculated as the aggregate of additions to property, plant and equipment, capital work-in-progress, intangible assets and intangible assets under development, reduced by capitalization from capital work-in-progress to property, plant and equipment and capitalisation from intangible assets under development to intangible assets. For a reconciliation of Capital expenditure incurred, see “Other Financial Information – Other reconciliations and information” on page 236
“CDMO”	Contract development and manufacturing organization
“CDSCO”	Central Drugs Standard Control Organisation of India
“CGMP”	Current Good Manufacturing Practices
“Covered Market(s)”	Total sales in the molecule groups where our Company or the relevant company had Domestic Sales in a given period.
“CTD”	Common technical document
“Domestic Sales”	Domestic formulation sales within the Indian market.
“DMF”	Drug master file
“EBIT”	EBIT is defined as earnings best interest and taxes. EBIT is a non-GAAP measure. For a reconciliation of EBIT, see “Other Financial Information – Non-GAAP Measures” on page 236
“EBITDA”	EBITDA is defined as earnings before interest, taxes, depreciation and amortisation. EBITDA is a non-GAAP measure. For a reconciliation of EBITDA, see “Other Financial Information

Term	Description
	– Non-GAAP Measures” on page 236 . For further details, see “Basis for Offer Price – Key Performance Indicators” on page 89
“EBITDA Margin”	EBITDA Margin is defined as EBITDA for a given period/year as a percentage of total income for that period/year. EBITDA Margin is a non-GAAP measure. For a reconciliation of EBITDA Margin, see “Other Financial Information – Non-GAAP Measures” on page 236 . For further details, see “Basis for Offer Price – Key Performance Indicators” on page 89 .
“ECL”	Expected credit loss
“ETP”	Effluent Treatment Plans
“FDA”	Food and Drug Administration
“FPP”	Finished Pharmaceutical Product
“FVTPL”	Fair value through profit or loss
“FSSAI”	Food Safety and Standards Authority of India
“FoSCoS”	Food Safety Compliance System
“GLP”	Good Laboratory Practice
“GMP”	Good Manufacturing Practices
“GSM”	Graded Surveillance Measures
“IPM”	Indian pharmaceutical market
“KOB”	Kind of Business
“MAT” or “MAT Sales”	“MAT” refers to moving annual total, i.e. the value sales of the preceding 12 months, as per data from CRISIL MI&A. For example, “MAT September” data denotes the moving annual total data starting from October 1 of the previous year to September 30 of the year stated. Accordingly, “MAT September 2023” data denotes the 12-month moving annual total of sales for the period between October 1, 2022 to September 30, 2023
“MEIS”	Merchandise Export Incentive Scheme
“MR”	Medical representative
“MRP”	Maximum Retail Price
“Net Asset Value per Equity Share”	Net Asset Value per Equity Share is calculated as Net Worth divided by the weighted average number of Equity Shares outstanding during a given period/year. Net Asset Value per Equity Share is a non-GAAP measure. For a reconciliation of Net Asset Value per Equity Share, see “Other Financial Information – Non-GAAP Measures” on page 236 .
“Net Debt”	Net Debt is calculated as the total of non-current borrowings and current borrowings, less cash and cash equivalents and term deposits with banks (current and non-current). Net Debt is a non-GAAP measure. “Net Debt” Net Debt is calculated as the total of non-current borrowings and current borrowings, less cash and cash equivalents and term deposits with banks (current and non-current). Net Debt is a non-GAAP measure.
“Net Worth”	Net Worth is defined as total equity attributable to the owners of our Company as of the end of a given period/year. Net Worth is a non-GAAP measure. For a reconciliation of Net Worth,

Term	Description
	see “Other Financial Information – Non-GAAP Measures” on page 236 .
“OHSAS”	Occupational Health and Safety Assessment Series
“PAT Margin”	PAT Margin refers to profit after tax margin, and is calculated by dividing our profit for a given period/year by total income for that period/year, and is expressed as a percentage. For a reconciliation of PAT Margin, see “Other Financial Information – Other reconciliations and information” on page 236 .
“Percentage of revenue from operations attributable to sales in India”	Revenue from operations within India as percentage of revenue from operations provides information regarding the geographic mix of our business. For further details, see “Basis for Offer Price – Key Performance Indicators” on page 89 .
“Percentage of revenue from operations attributable to sales outside India”	Revenue from operations outside India as percentage of revenue from operations provides information regarding the geographic mix of our business. For further details, see “Basis for Offer Price – Key Performance Indicators” on page 89 .
PIC/S	The Pharmaceutical Inspection Co-operation Scheme
“R&D”	Research and Development
“RoCE”	RoCE refers to Return on Capital Employed, and is calculated by dividing our EBIT for a given period by Capital Employed (i.e., total equity plus Net Debt) as of the end of that period. RoCE is a non-GAAP measure. For a reconciliation of RoCE, see “Other Financial Information – Non-GAAP Measures” on page 236 . For further details, see “Basis for Offer Price – Key Performance Indicators” on page 89 .
“RoNW”	RoNW refers to Return on Net Worth, and is defined as profit for a given period/year attributable to owners of our Company divided by total equity attributable to owners of our Company as of the end of that period/year. RoNW is a non-GAAP measure. For a reconciliation of Return on Net Worth, see “Other Financial Information – Non-GAAP Measures” on page 236 .
“Total Borrowings”	Total Borrowings is calculated as the total of non-current borrowings and current borrowings, including transaction costs attributable to non-current and current borrowings and excluding interest accrued but not due on borrowings. For a reconciliation of Total Borrowings, see “Other Financial Information – Other reconciliations and information” on page 236 .
“Total Interest on borrowings”	Total Interest on borrowings is calculated as Interest on long-term borrowings plus Interest on short-term borrowings. For a reconciliation of Total Interest on borrowings, see “Other Financial Information – Other reconciliations and information” on page 236 .
“UCPMP”	The Uniform Code for Pharmaceutical Marketing Practices
“WHO PQ”	WHO Prequalification
“ZLD”	Zero Liquid Discharge

Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of Articles of Association”, “Statement of Possible Tax Benefits”, “Industry Overview”, “Key Industrial Regulations and Policies”, “Financial Information”, “Outstanding Litigation and Material Developments” and “Issue Procedure” on pages **310, 99, 102, 156, 196, 254 and 283** respectively of this Draft Prospectus, will have the meaning ascribed to such terms in these respective sections.

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

Certain Conventions

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

Unless otherwise specified, any time mentioned in this Draft Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “Financial Information” on Page No. **196** of this Draft Prospectus.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities of our Company as at June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the related Restated Statement of Profit & Loss and the Restated Cash Flow Statement for the period ended June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on Page Nos. **27**, **127** and **237** respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “Risk Factors”, “Industry Overview” and “Our Business” on Page Nos. **27**, **102** and **127** respectively, this Draft Prospectus.

Currency and Units of Presentation

All references to:

“Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and

“USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in is Draft Prospectus in “lacs” units or in whole numbers where the numbers have been too small to represent in lacs. One lac represents 1,00,000 and one million represents 10,00,000.

Exchange rates

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

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

Currency	Exchange rate as on (in ₹)			
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.4534	83.3739	82.2169	75.8071

(Source: www.rbi.org.in; and www.fbil.org.in)

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable. The extent to which the market and industry data used in this Draft 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 the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, “Basis for Issue Price” on Page No. **89** of this Draft Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the LM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “Risk Factors” on Page No. **27** of this Draft Prospectus.

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This Draft Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Substantial portion of our revenues has been dependent upon few customers. The loss of any one or more of our major customers would have a material adverse effect on our business, cash flows, results of operations and financial condition.
- Failure to comply with regulations prescribed by authorities of the jurisdiction in pharmaceutical sector.
- We generally do business with our customers on purchase order basis and do not enter into long term contracts with them. Our inability to maintain relationships with our customers could have an adverse effect on our business, prospects, results of operations and financial condition.
- Failure to adapt to the changing needs of industry may adversely affect our business and financial condition;
- Inflation, deflation, unanticipated turbulence in interest rates,
- Our dependence on our key personnel, including our directors and senior management;
- Our ability to successfully implement our business strategy and plans;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on Page Nos. 27 , 127 and 237, respectively, of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect current views as on the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoters, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements

reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company, the Promoters and the Lead Manager will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

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SECTION II - SUMMARY OF OFFER DOCUMENTS

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including the sections titled “Risk Factors”, “Issue Information” and “Description of Equity Shares and Terms of the Articles of Association”; and Chapters titled “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Business Overview”, “Issue Procedure”, “Outstanding Litigations and Material Developments” on pages **27, 274, 310, 64, 77, 102, 127, 283** and **254**, respectively.

SUMMARY OF OUR BUSINESS

‘Medistep Healthcare Limited’, was originally incorporated on June 05, 2023 as a Public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by Registrar of Companies, Gujarat. The company has strategically expanded its operations by acquiring the business of M/s MG Pharma, a proprietorship concern owned by one of our promoters, Ms. Prajapati Hetalben Girdharilal. This acquisition was executed through a business transfer agreement dated July 02, 2023.

Medistep Healthcare Limited is a Pharmaceutical Company that has carved a niche in the Healthcare Industry through its experience in manufacturing Sanitary pads, Energy powder and trading a diverse range of pharmaceutical products, Nutraceutical products, Intimate Products and surgical products through distribution network.

(For Detailed information on our business, please refer to chapter titled “Our Business” beginning from page no. 127 of this draft prospectus.)

SUMMARY OF OUR INDUSTRY

The Indian pharmaceutical industry has proved to be the major player in the domestic and international market. This supremacy has been achieved through an enduring process of manufacturing, competitive prices practice, and highly skilled staff. One of the major strategies for Indian pharma sector in terms of growth is its global expansion which is the key driver of this industry’s performance. The degree to which Indian pharma progresses towards the international level depends crucially on its flexibility and robustness in the global health arena.

(For Detailed information on our business, please refer to chapter titled “Industry Overview” beginning from page no. 102 of this draft prospectus.)

OUR PROMOTERS

- Girdhari Lal Prajapat
- Dabhi Vipul Gobarbhai
- Prajapati Hetalben Girdharilal

(For further details, please refer chapter “Our Promoters and Promoters Group” beginning from page no. 184 of this draft prospectus.)

SIZE OF OFFER

Present Offer of Equity Shares by our Company	Up to 37,44,000 Equity Shares of face value Rs.10/- each for cash at a price of Rs. [●] per equity share aggregating to Rs. [●] Lakh
The Offer consists of:	
Fresh Issue	Up to 37,44,000 Equity Shares of face value Rs.10/- each for cash at a price of Rs. [●] per equity share aggregating to Rs. [●] Lakh
Offer for Sale	Not Applicable
Of which:	
Offer Reserved for the Market Maker	Up to [●] Equity Shares of face value Rs.10/- each fully paid for cash at a price of Rs. [●] per Equity Share aggregating to Rs [●] Lakh
Net Offer	Up to [●] Equity Shares of face value Rs.10/- each for cash at a price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakh.

For further details, please refer to chapter titled “*Terms of the Issue*” beginning on page 274.

OBJECT OF ISSUE

The details of proceeds of the Issue are set out in the following tables:

Amount in (Lakh)

Sr. No.	Particulars	Estimated Amount
1.	Gross proceeds from the Issue	[●]
2.	Less: Issue Related Expenses	[●]
	Net Proceeds	[●]

UTILIZATION OF NET PROCEEDS

Amount in (Lakh)

Sr. No.	Particulars	Estimated Amount
1.	Capital Expenditure	50.75
2.	Working Capital Requirement	1234.17
3.	General Corporate Purpose	[●]
	Total	[●]

For further details, please refer to chapter titled “Objects of the offer” beginning on page 77.

PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTERS GROUP AS ON THE DATE OF THIS DRAFT PROSPECTUS

Particulars	Pre-Issue Shareholding	
	Number of Shares	Percentage holding
Promoters: -		
Girdhari Lal Prajapat	14,11,800	13.49%
Dabhi Vipul Gobarbhai	12,69,880	12.13%
Prajapati Hetalben Girdharilal	71,16,400	68.00%
Total Promoters Shareholding (A)	97,98,080	93.62%
Promoter Group		
Dabhi dharmishtaben V	200	0.002%
Total Promoters Group Shareholding (B)	200	0.002%
Total Promoters & Promoters Group (A+B)	97,98,280	93.62%

SUMMARY OF RESTATED FINANCIAL STATEMENTS:

The details are as follows: -

(Amount in Lakh)

Particulars	For the year ended				
	June 30, 2024	March 31, 2024	July 02, 2023	March 31, 2023	March 31, 2022
Share Capital	1046.55	489.94	142.12	107.24	33.11
Reserves and surplus	324.66	679.11	-	-	-
Net worth	1371.21	1169.05	142.12	107.24	33.11
Total Revenue	1125.07	3161.51	745.68	2764.68	762.44
Profit after Tax	102.16	291.35	41.40	92.10	18.97
Earnings per share (Basic & diluted) (Rs.)	1.03	19.96	-	-	-
Net Asset Value per Equity Shares (Rs.)	11.75	9.74	-	-	-
Total Long-Term Borrowings	22.67	7.23	16.46	26.13	82.31

(For further details, please refer chapter "Financial statement as Restated" beginning from page no. 196 of this draft prospectus.)

QUALIFICATION OF AUDITORS

The auditor report of Restated Financial information of Medistep Healthcare Limited, for the financial year ended on 30th June 2024, 31st March 2024, 2nd July 2023, 31st March 2023 and 31st March 2022 does not contain any qualification which have not been given effect to in restated financial statement.

SUMMARY OF OUTSTANDING LITIGATIONS

A summary of outstanding litigation proceedings involving our Company, our Directors, our Promoter and our Group Companies as on the date of this Draft Prospectus is provided below:

Sr. No.	Particulars	Number of case outstanding	Amount involved in such proceedings (in Rs Lakh)
1)	Pending litigations involving our Company		
1.	Criminal proceedings		

	a) against our Company	Nil	Nil
	b) by our Company	Nil	Nil
2.	Pending Action by statutory or regulatory authorities	Nil	Nil
3.	Tax proceedings		
	a) Indirect Tax	Nil	Nil
	b) Direct Tax	Nil	Nil
4.	Default and non-payment of statutory dues	Nil	Nil
5.	Other material outstanding litigation	Nil	Nil
2)	Litigation involving our directors*		
1.	Outstanding criminal litigation	Nil	Nil
2.	Pending action by statutory or regulatory authorities	Nil	Nil
3.	Tax proceedings	Nil	Nil
4.	Other material litigation outstanding	Nil	Nil
3)	Litigation involving our Promoter		
1.	Outstanding criminal litigation	Nil	Nil
2.	Pending action by statutory or regulatory authorities	Nil	Nil
3.	Tax proceedings	Nil	Nil
4.	Other material litigation outstanding	Nil	Nil
5.	Disciplinary action including penalty imposed by SEBI or stock exchanges against the promoters in the last five financial years including outstanding action	Nil	Nil
4)	Litigation involving our Group Companies		
1.	Outstanding criminal litigation	Nil	Nil
2.	Pending action by statutory or regulatory authorities	Nil	Nil
3.	Other material litigation outstanding	Nil	Nil
4.	Tax proceedings		
	a. Indirect Tax	Nil	Nil
	b. Direct Tax	Nil	Nil

For further details, please refer chapter “Outstanding Litigation and Material Development” beginning from page no. 254 of this draft prospectus.

RISK FACTORS

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

(For the details pertaining to the internal and external risk factors relating to the Company, kindly refer to the chapter titled “Risk Factors” beginning on page no. 27 of this draft prospectus.)

SUMMARY OF CONTINGENT LIABILITIES

As per Restated Financial Statements, the Company do not have any contingent liabilities exists as on June 30th 2024.

For details, please refer to Section titled “Restated Financial Statements” beginning on page no. 196 .

SUMMARY OF RELATED PARTY TRANSACTIONS

As required under Accounting Standard 24 “Related Party Disclosures” as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

Name of the key managerial personnel/Entity	Relationship
Key Management Personnel (KMP) & Director	
Khoda anandbhai jitendrabhai	Director
Dodiya kapilbhai raysinhbhai	Director
Jagdish Prajapati	Chief Financial Officer
Dabhi Vipul Gobarbhahi	Director
Girdhari Lal Prajapat	Managing Director
Prajapati hetalben girdharilal	Director
Medistep Pharmaceuticals	Partnership firm in which KMP is partner
Medistep Pharmaceuticals Pvt Ltd	KMP holds significant control
Mahadev Medical Store	Proprietorship firm of KMP
Dabhi Dharmishtaben V	Promoter
Kavyadi Medical Store	Proprietorship firm of KMP

(Amount in Lakh)

Transaction with Related Parties					
Nature of Transactions	For the period ended June 30, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31 st March, 2022
Sale of Good to					
Medistep Pharmaceuticals	-	-	-	-	5.94
Medistep Pharmaceuticals Pvt Ltd.	62.13	95.91	2.74	78.95	-
Mahadev Medical Store	76.36	161.83	83.61	758.26	-
Kavyadi Medical Store	4.83	464.47	114.20	1106.45	6.56
Purchase of goods					
Medistep Pharmaceuticals	-	-	-	0.81	5.12
Medistep Pharmaceuticals Pvt Ltd.	-	12.65	1.61	8.46	-

Mahadev Medical Store		-	7.57	-	-	-
Kavyadi Medical Store		-	0.42	-	-	-
Loan & Advance (Received)						
Girdhari Lal Prajapat		-	-	16.44	-	43.21
Loan & Advance (Payment)						
Girdhari Lal Prajapat		-	-	16.44	-	65.13
Unsecured Loan taken from						
Girdhari Lal Prajapat		0.37	178.12	-	53.48	-
Dabhi Vipul Gobarbhai		-	158.71	-	-	-
Prajapati hetalben girdharilal		15.76	411.88	-	-	-
Remuneration to						
Girdhari Lal Prajapat		1.50	0.76	-	-	-
Jagdish Prajapati		0.75	0.25	-	-	-
Unsecured Loan repaid to						
Girdhari Lal Prajapat		-	-	-	12.39	-
Share Issue through conversion of loan						
Girdhari Lal Prajapat		-	176.45	-	-	-
Dabhi Vipul Gobarbhai		-	158.71	-	-	-
Prajapatihetalben girdharilal		-	399.70	-	-	-

(Amount in Lakh)

Balance outstanding at year end						
Nature of transactions	For the period ended June 30, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022	
Loan & Advance						
Girdhari Lal Prajapat	-	-	-	-		41.09
Unsecured Loan						
Girdhari Lal Prajapat	2.04	1.67	-	-		-
Prajapati hetalben girdharilal	20.63	4.87	-	-		-
Remuneration payable						
Girdhari Lal Prajapat	1.50	0.76	-	-		-
Jagdish Prajapati	0.75					

		0.25			
Payable to					
Medistep Pharmaceuticals	-	-	-	-	12.59
Receivable from					
Medistep Pharmaceuticals Pvt Ltd.	79.16	16.73	18.18	13.24	-
Mahadev Medical Store	77.05	10.36	71.21	236.47	-
Kavyadi Medical Store	67.42	99.57	623.28	678.39	2.73

For details pertaining to Related Party Transactions, kindly refer to the chapter titled “Financial Statements as Restated” – “Related Party Transactions” beginning on page no. 225 of this draft prospectus)

FINANCING ARRANGEMENT

There are no financing arrangements whereby the promoters, member of 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 since inception of the company.

WEIGHTED AVERAGE PRICE AT WHICH EQUITY SHARES WAS ACQUIRED BY OUR PROMOTERS IN THE LAST YEAR

Sr. No	Name of the Promoter	No. of Equity Shares Acquired during last one Year	Weighted Average Price (In ₹ per Equity Share)
1.	Girdhari Lal Prajapat	14,11,700	12.50
2.	Dabhi Vipul Gobarbhai	12,69,780	12.50
3.	Prajapati Hetalben Girdharilal	71,07,000	9.62

*As Certified by M/s Kapish Jain & Associates, Chartered Accountants dated December 02, 2024.

AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR PROMOTERS:

Sr. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
1.	Girdhari Lal Prajapat	14,11,800	12.50
2.	Dabhi Vipul Gobarbhai	12,69,880	12.50
3.	Prajapati Hetalben Girdharilal	71,16,400	8.37

*As Certified by M/s Kapish Jain & Associates, Chartered Accountants dated December 02, 2024.

DETAILS OF PRE-IPO PLACEMENT

Pre-IPO Placement

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

1. That Pre-IPO proceeds being discretionary in nature, if raised, shall be completely attributed/adjusted towards GCP portion; unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific objects of the issue. A confirmation to this effect we shall submit at the time of filing of Draft Prospectus with the Exchange and the confirmation should form part of material documents available for inspection.
2. Disclosure shall be made of the price and the name of the shareholder on the day of the allotment in case if any Pre-IPO placement is done, through public advertisement. A confirmation to this effect we shall submit at the time of filing of Draft Prospectus with the Exchange and the confirmation should form part of material documents available for inspection. The details of the Pre-IPO shall also form part of the Price Band Advertisement.

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

Except as disclosed in this draft Prospectus, our company has not issued any Equity shares for consideration other than cash.

(For further details pertaining to Issue of Equity Shares for consideration other than cash, kindly refer to the chapter titled "Capital Structure" beginning on page no. 64 of this draft prospectus.)

DETAILS OF SPLIT/CONSOLIDATION OF OUR EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year till the date of this draft prospectus.

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

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

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SECTION III - RISK FACTOR

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the Chapters titled “Business Overview” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on page 127 and 237, respectively of this Draft Prospectus as well as other financial and statistical information contained in this Prospectus. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein. This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto.

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

INTERNAL RISK FACTORS

Risks Related to Our Business

1. **We provide our goods majorly in Gujarat, any adverse changes in the conditions affecting these regions can adversely affect our business, financial condition and results of operations.**

We provide our goods mainly in Gujarat region. Details of our revenue are as follow:

State	(Amt. in lakhs)							
	FY 21-22	%	FY 22-23	%	FY 23-24	%	FY 24-25 Till June	%
Gujarat	762.34	99.99%	2763.14	99.94%	3905.79	99.96%	1125.07	100.00%

In the event of a regional slowdown in the economic activity in these states or any other developments including political unrest, disruption or sustained economic downturn or natural calamities in those regions affecting the ability of our merchants to continue their operations within their respective communities, or that make our services and/or products in these states less available or attractive and beneficial to the customer, we may experience an adverse effect on our financial condition and results of operations, which are largely dependent on the performance, geo-political and other prevailing conditions affecting the economies of the state. The market of Gujarat may perform differently from,

and be subject to, market and regulatory developments that are different from the requirements in other states of India. There can be no assurance that the demand for our services will grow, or will not decrease, in the future, in these regions.

2. Our manufacturing facility are subject to operational risks. Any slowdown or shutdown in our manufacturing operations could adversely affect our business, financial condition and results of operations.

We have only one manufacturing facility. Our manufacturing facility is located in Bareja, Kheda, Gujarat. As we manufacture Sanitary Pad and Energy Powder at our manufacturing unit, Our business is dependent on our ability to manage our manufacturing facility, which are subject to various operating risks and factors outside our control including, among others, breakdown and/or failure of equipment or industrial accidents which may entail significant repair and maintenance costs, difficulties with production costs and yields, product quality issues, disruption in electrical power or water resources, timely grant or renewal of approvals, severe weather conditions, natural disasters and outbreaks of infectious diseases, political instability, and cooperation of our employees. we have not experienced any instances of such operational risks materially affecting our business, financial condition or results of operations in the past three Financial Years and the three months ended June 30, 2024. Our inability to effectively respond to any such shutdown or slowdown, and rectify any disruption in a timely manner and at an acceptable cost, could result in us being unable to satisfy our contractual commitments, which could have an adverse effect on our business, financial condition and results of operations.

3. We rely on domestic third-party suppliers for the supply of raw materials and any delay, interruption or reduction in such supply could adversely affect our business, results of operations, financial condition and cash flows.

Our Company has majorly depended on the third-party suppliers for the purchase of raw material which forms the major part of our business. Although, we believe that we have maintained stable relationships with these suppliers, we cannot assure you that we would be able to source these services from alternative sources, at acceptable prices or at all. Our success depends on the uninterrupted supply of raw materials required for our manufacturing of Sanitary Pad and Energy Powder. We do not have binding arrangements with our suppliers and procure raw materials through purchase orders entered into with our suppliers. Raw materials, including packaging materials, are susceptible to supply disruptions and price volatility influenced by a range of factors including fluctuations in commodity markets, the quality and availability of raw materials, consumer demand, and changes in government policies and regulatory sanctions.

We expect we will continue to rely on such third-party providers as we expand our business. However, these third parties may undergo insolvency, file for bankruptcy, experience disruptions, provide lower quality service or increase the prices of their products or services for a number of reasons that are beyond our control. For more details in respect to supplier please refer on page 138 under chapter titled “Our business” of the company.

4. We are subject to extensive government regulations and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, our business, financial condition, results of operations and cash flows may be adversely affected.

We operate in a highly regulated industry and our operations, are subject to extensive laws and regulations in India. Further we need to renew our existing licenses such as Drug License (for Shop.No.5, Freeway Trade Center Near A-One Hotel, Nh.8 and Shop No.215 second Floor Free Way Trade Centre Near A-One Hotel NH-8 Narol Aslali Highway), and FSSAI License. The majority of the approvals we require are granted for a limited duration and require renewal, and are subject to numerous conditions. While we have not faced any such instances where our approvals were suspended, revoked or not renewed in the past three Financial Years and the three months ended June 30, 2024, we cannot assure you that our approvals would not be suspended, revoked or fail to be renewed in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Further we may need to obtain License for to continue and expand our business in unforeseeable future and such licenses are subject to government permit, if we fail to do so in the future, in a timely manner or at all, our business, financial condition and results of operations could be adversely affected.

The Government of India may implement new laws or other regulations and policies that could affect the manufacturing industry and the pharmaceutical industry, which could lead to new compliance requirements, including requiring us to obtain additional approvals and licenses. The penalties for non-compliance with the applicable laws and conditions attached to our approvals, licenses, registrations and permissions can be severe, including the

revocation or suspension of our business license and the imposition of fines and criminal sanctions in those jurisdictions. In the past three Financial Years and the three months ended June 30, 2024, we have not faced any such instances of non-compliance with regulations which led to the revocation or suspension of our business license, and/or the imposition of fines and criminal sanctions in those jurisdictions. Any such occurrence in the future would adversely affect our business, financial condition and results of operations.

5. The Company is dependent on few numbers of customers for sales. The loss of any of this large customer may affect our revenues and profitability.

Following is table showing the contribution of the Customer:

Particulars	As at June 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Top Ten Customer	98.63%	68.36%	97.30%	81.62%

Significant proportion of our total revenue comes from our top 10 customers and the loss of any of our customers may adversely affect our sales and consequently on our business and results of operations. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic level of business for our top 10 customer. We don't have any binding agreement with our customer, resulting in our inability in to retain our customers. We cannot assure you that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change, as we continue to add new customers in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, there can be no assurance that we will be able to maintain long term relationships with such customers or find new customers in time.

6. Any increase in the cost of our raw material or other purchases or a shortfall in the supply of our raw materials, may adversely affect the pricing and supply of our products and have an adverse effect on our business, results of operations and financial condition.

The success of our operations depends on a variety of factors, including our ability to source raw materials at competitive prices. Raw material supply and pricing can be volatile due to a number of factors beyond our control, including demand and supply, general economic and political conditions, transportation and labour costs, natural disasters, pandemic, competition and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. We don't have any price fixing contract, which can limit the price of our raw material, with our suppliers. We typically do not enter into long-term agreements with our suppliers. We may be required to track the supply demand dynamics and regularly negotiate prices with our suppliers in case of significant fluctuations in raw material prices or foreign currency fluctuations.

Further, any increase in raw material prices may result in corresponding increases in our product costs. Our ability to pass on any increases in the costs of raw materials and other inputs to our customers may be limited. There may be a significant difference in the price of raw materials when raw materials are ordered and paid for and the prevailing price when the raw materials are received and we may not be able to pass on the difference in the prices to our customers. A failure to maintain our required supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, on acceptable terms, could adversely affect our ability to deliver our products to our customers in an efficient, reliable and timely manner, and consequently adversely affect our business, results of operations and financial conditions. In the past three Financial Years and the three months ended June 30, 2024, we have not faced any such instances

7. If we are unable to patent new processes, obtain trademarks for our products, or protect such proprietary information, our business may be adversely affected.

Currently our company is using as logo (in  device) and “MEDISTEP” (in word) , which are not owned by us. We do not have registered trademarks for our corporate name and logo under the Trade Marks Act, 1999. Consequently, we do not enjoy the statutory protections accorded to registered trademarks or patent in India for the corporate name and logo of our company. In the absence of such registrations, competitors and other companies may challenge the validity or scope of our intellectual property right over these brands or our corporate name or logo or patent. As a result, we may be required to invest significant resources in developing new brand or names, which could materially and adversely affect our business, financial condition and results of operations. Additionally, the use of trade names or trademarks by third parties which are similar to our trade names or trademarks may result in confusion among customers and loss of business and loss of business to our company and ultimately effecting financial conditions of our company

8. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, financial condition, results of operations and cash flows.

The company’s operating results may fluctuate or adversely vary from past performances in the future due to a number of factors, many of which are beyond the company’s control. The results of operations during any financial year or from period to period may differ from one another or from the expected results operation. Our business, operations, and financial condition may be adversely affected by, inter alia, a decrease in the growth and demand for the products offered by the us or any strategic alliances which may subsequently become a liability or non-profitable. Due to various reasons including the above, the future performance may fluctuate or adversely vary from our past performances and may not be predictable. For further details of our operating results, section titled “Financial Information of our Company” beginning on Page 196 of this Draft Prospectus

Further as is typical in the pharmaceutical industry, we maintain a reasonable level of inventory of raw materials, work-in-progress and finished goods. The following table sets forth details on our inventory levels, as per our Restated Financial Statements, as of and for the periods/years indicated:

Particulars	As at June 30, 2024	As on March 31, 2024	As at July 2, 2023**	As on March 31, 2023	As on March 31, 2022
Inventories (₹ in millions)	54.08*	92.88	92.40*	50.45	40.25
Inventory Turnover Ratio (In Times)	13.14*	29.55	9.54*	57.61	22.89

*Not Annualised

** The company has executed the business transfer agreement vide dated July 02, 2023 to purchase the business of M/s MG pharma.

While we seek to accurately forecast the demand for our products and, accordingly, plan our production volumes, if we underestimate demand or have inadequate capacity, we may manufacture fewer quantities of products than required and be unable to meet the demand for our products, which could result in the loss of business. For details on the historical capacity utilization at our manufacturing facilities, see “Our Business” on page 127.

On the other hand, if we may overestimate demand, we may produce quantities of our Intimate and nutraceuticals products in excess of actual demand, which would result in surplus stock that we may not be able to sell in a timely manner. Each of our products has a shelf life of a specified number of years and such products may lead to losses if not sold prior to expiry or lead to health hazards if consumed after expiry. Our inability to accurately forecast demand for our products and manage our inventory may therefore have an adverse effect on our business, financial condition and results of operations and cash flows.

9. We have had negative cash flows from investing activities during the Financial Year 2024. Negative cash flows over extended periods, or significant negative cash flows in the short term, could affect our ability to operate our business and implement our growth plans.

We have experienced negative cash flows in the past. The following table sets forth our cash flows for the periods/years indicated:

PARTICULARS	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Cash Generated/(Used) From Operating Activities	(108.17)	(711.00)	14.66	44.16	(40.43)
Cash Generated/(Used) From Investing Activities	-	(15.19)	-	-	(43.71)
Cash Generated/(Used) From Financing Activities	109.81	723.75	(23.68)	(34.83)	85.36

We have negative cash flow from operating activity in stub period for the period ended 30th June, 2024 and we can't assure you that we will have inflow of cash in future. For further details, see "Financial Information" on pages 196 . We cannot assure you that our net cash flow will be positive in the future. Negative cash flows over extended periods, or significant negative cash flows in the short term, could affect our ability to operate our business and implement our growth plans.

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

Our business operations are dependent on the adequate and timely availability of working capital. Over the last financial years, we have observed fluctuations in our working capital requirements due to variations in our operational scale, procurement cycles, and market conditions. Any discontinuance, delay, or inability to secure sufficient working capital, whether due to inadequate cash flows, delays in disbursement of arranged funds, or unfavorable borrowing terms, could adversely impact our ability to meet day-to-day operational needs. This, in turn, may hinder our operational efficiency, profitability, and growth prospects.

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

For more detailed information regarding our working capital requirements, please refer to the chapter titled "Objects of the Issue" beginning on page no.77 of this Draft Prospectus.

11. Our Company is yet to place orders for the machinery for the expansion of the business operation. Any delay in placing orders of such machinery may delay the schedule of implementation and possibly increase the cost of commencing operations.

Our Company has received third party quotations for the machinery proposed to be installed at our plant in Gujarat. Although, we have identified the type of machinery proposed to be purchased from the Net Proceeds, we are yet to place orders for the proposed machinery approximately amounting to Rs. 50.75 Lakhs of Gross proceeds. The cost of the proposed purchase of machinery is based on the quotations received from third party vendors and such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. For details, please refer to the chapter titled "Objects of the Issue" beginning on page no.77 of this Draft Prospectus.

We cannot assure that we will be able to procure the machinery in a timely manner and at the same price at which the quotations have been received. In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the Machinery or in the event the vendors are not able to provide the machinery in a timely manner, or at all, we may encounter time and cost overruns in expanding the capacity of the business operation. Further, if we are unable to procure machinery from the vendors from whom we have procured quotations, we cannot assure you that we may be able to identify alternative vendors to provide us with the machinery which satisfy our requirements at acceptable prices. Our inability to procure the machinery at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

12. The property used by the Company for the purpose of its manufacturing, Registered operations is not owned by us. Any termination of the relevant rent agreement in connection with such property or our failure to renew the same could adversely affect our operations.

As on the date of this Draft Prospectus, our Registered Office, Manufacturing Unit and our Operation office are taken on lease basis from third parties. The details of the leasehold properties have been provided below:

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Rent Agreement made and executed on July 02, 2024 at Gujarat between Medistep Healthcare Limited and Mr. Yojana Hitesh Sharda	05, S.NO-245/B, Plot-19, T.P.S. 56, Free Way Trade Center, NR. A-one Hotel, N.H.-8, Narolgam Narol, Ahmedabad, Daskroi, Gujarat-382405	Rent INR 14000/- per month and security deposit of INR 20,000/-	5 Years	Registered Office
2.	Rent Agreement made and executed on July 06, 2023 at Gujarat between Medistep Healthcare Limited and Mrs. Dipali Dinesh Hamirani	Survey No. 245/B T.P. Scheme No. 56 Final Plot No. 19, freeway trade centre, 2 nd floor, office no. 215, Narol, Ahmedabad – 382405	Rent INR 18000/- per month and security deposit of INR 54,000	5 Years	Operational Office
3.	Rent Agreement made and executed on June 13, 2024 at Gujarat between Medistep Healthcare Limited and Mr. Piyush Kiritbhai Patel	Survey No. 298, Near Radio Station, Bidaj Gam, Bareja, Kheda, Gujarat - 387120 Area- 371.61 Sq. Mt.	Rent INR 15000/- per month and security deposit of INR 30,000	7 years	Manufacturing Unit

Once the aforementioned lease agreements, expire, there can be no assurance that our Company will be able to successfully renew the said lease agreements in a timely manner or at all or on terms favourable to us. Further, there can be no assurance that we will not face any disruption of our rights as a lessee and that such lease agreements will not be terminated prematurely by the lessor. Any such non-renewal or early termination or any disruption of our rights

as lessee will adversely affect our business, financial conditions and results of operations. For further details, see “Our Business – Place of Business” on page. 143

13. Future success of our company depends on our ability to successfully develop new products and commercialize our products in a timely manner. Any failure to do so could adversely affect our business, results of operations and financial condition.

Our future success depends on our ability to commercialize our existing products and expand our product portfolio. Process of expansion can be time consuming, costly and involves high degree of business risk. Due to the prolonged time period for developing a new product, delays associated with regulatory approval process and competitive factors, we may invest resources in developing products that may not be successful commercially, which could have an adverse effect on our business, results of operations and financial condition.

14. The Company is dependent on few suppliers for purchase. Loss of any of these large suppliers may affect our business operations.

Following is table showing the contribution of the suppliers in our manufacturing process:

Particulars	As at June 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Top Ten Suppliers	99.09%	95.33%	86.63%	15.85%

We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seek new suppliers for our business operation for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time.

15. We may not be able to detect or prevent fraud or other misconduct committed by our employees or third parties.

Fraud or other misconduct by our employees, such as unauthorized business transactions, leaking of confidential information especially in relation to products under development, bribery and breach of any applicable law or our internal policies and procedures, or by third parties, such as breach of law, may be difficult to detect or prevent. It could subject us to financial loss and sanctions imposed by government authorities while seriously damaging our reputation. We have not suffered material financial losses or been subject to sanctions as a result of fraud or misconduct by employees or third parties in the past three Financial Years and the three months ended June 30, 2024. We cannot assure you that similar fraud or other misconduct will not occur in the future. In such event, our ability to effectively attract prospective stakeholders, obtain financing on favorable terms and conduct other business activities may be impaired.

16. Our manufacturing units are subject to quality check requirements which may damage our reputation leading to an adverse effect on our business, results of operations, financial condition and cash flows.

As a manufacturer of pharmaceutical formulations, we are required to comply with the regulations and quality standards. Our manufacturing units are also subject to inspections and audits by these regulatory authorities and our clients on timely basis. However, no such inspection has been conducted till date. we cannot assure you that we will not receive any such observations from regulators in the future. Furthermore, We cannot assure you that we will not be subject to regulatory actions or claims resulting from non-compliance with contractual obligations in the future. Any of the foregoing could adversely affect our business, results of operations, financial condition and cash flows.

17. We have issued equity shares pursuant to a bonus issue prior to the Issue, and we will be eligible to issue equity shares pursuant to a bonus issue only when we have sufficient reserves.

In 2024-2025, our Company allotted an aggregate of 48,99,440 equity shares pursuant to a bonus issue in the ratio of 1 equity shares for every 1 equity share to our existing equity shareholders. Our free reserves immediately before the

bonus issue were ₹ 340.36 Lakh and immediately after the bonus issue were ₹ 291.32 Lakh and our securities premium before the bonus issue were ₹ 440.92 Lakh and immediately after the bonus issue were ₹ Nil Lakh.

In terms of applicable law, bonus issue shall be made only out of free reserves, securities premium account or capital redemption reserve account and built out of the genuine profits or securities premium collected in cash. As on the date of this Draft Prospectus, our Company's securities premium account was ₹ 33.33 Lakhs, and the available free reserves aggregated ₹ 291.32 Lakhs. Additionally, we do not have capital redemption reserve account. Therefore, our Company will be eligible to issue bonus shares only when we have sufficient monies in our free reserves and our securities premium account.

18. Our Company has issued Equity Shares in the last one year at a price which is lower than the Issue Price.

We have issued Equity Shares in the preceding one year at a price which is lower than the Issue Price. The details of the Equity Shares have been provided below:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Reason for allotment	Whether part of Promoter Group	Name of allottees
30.12.2023	19,50,000	10	10	Preferential Allotment	Yes	Ms. Prajapati Hetalben Girdharilal
20.03.2024	29,39,440	10	25	conversion of an unsecured loan	Yes	Mr. Dabhi Vipul Gobarbhai, Mr. Girdharilal Prajapat and Ms. Prajapati Hetalben Girdharilal
12.04.2024	48,99,440	10	NIL	Bonus Issues	Yes	Ms. Prajapati HetalbenGirdharilal , Mr. Girdharilal Prajapat, Mr. Dabhi Vipul Gobarbhai, Ms. Nishakumari Vicky Agrawal, Mr. Vicky Mahadev Agrawal, Mr. Vishnu Kumar and Ms. Dabhi dharmishtaben V
10.06.2024	6,66,666	10	15	Preferential Allotment	Yes	SN Enterprises

We cannot assure you that any issuance of Equity Shares made by our Company post completion of this Issue will be above the Issue Price or the prevailing market price of our Equity Shares. For further details, please see "Capital Structure" on page 64.

19. The average cost of acquisition of Equity Shares held by our Promoters could be lower than the Issue Price.

Our Promoters' average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price which is proposed to be determined on a fixed price issue basis. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled "Capital Structure" on page 64 of this Draft Prospectus.

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

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

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

Our Company uses third party transportation providers for delivery of our goods. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. In addition, goods may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials may have an adverse effect on our business and results of operations. Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

22. Our success depends on our ability to retain and attract qualified senior management and other key personnel, and if we are not able to retain them or recruit additional qualified personnel, we may be unable to successfully develop our business.

Our performance depends largely on the efforts and abilities of our Promoters, Directors and other key personnel. We believe that the inputs and experience of our Promoters and Directors are valuable for the growth and development of business and operations and the strategic directions taken by our Company. Our business and operations are led by our qualified, experienced and capable management team. Competition among pharmaceutical companies for qualified employees is intense, and the ability to retain and attract qualified individuals is critical to our success. Furthermore, as we expect to continue to expand our operations and develop new products, we will need to continue to attract and retain experienced senior management.

23. We rely on daily labour for manufacturing sanitary pads and energy powder, which exposes us to risks such as irregular attendance, fluctuating manpower, and inconsistent skill levels. These factors, may lead to increased costs, operational delays, and adverse effects on our financial performance.

For the Manufacturing of Sanitary Pad and Energy Powder we depend on daily labour which exposes us to various risk such as workers may not show up regularly, and the number of available workers may fluctuate. workers may not available when needed, resulting in delays or a shortage of manpower. Our daily labours may have inconsistent skill level and we may have disputes with our labour. Our daily labour can jeopardize us we have to maintain liquidity to pay workers even when revenues are low, further our labour cost can fluctuate as we don't have any binding agreement with such workers. We are exposed to injuries and accidents as these workers are not technically sound to use our machinery. Further we don't have any insurance policy to mitigate the risk. If such instances happen in future, it will impact will increase our cash outflow from operations, increase our manufacturing cost and decrease our profit after tax.

24. Our Promoters and the members of our Promoter Group will be able to exercise significant influence and control over us after the Offer and may have interests that are different from or conflicting with those of our other shareholders.

As at the date of this Draft Prospectus, our Promoters along with the members of our Promoter Group together hold 97,982,80 Equity Shares, i.e., 93.62% of our issued, subscribed and paid-up Equity Share capital. Upon completion of the Offer, our Promoters along with the Promoter Group, together will continue to hold majority of our post-Offer Equity Share capital. For details of our Equity Shares held by our Promoters and Promoter Group, see "Capital Structure – Notes to the Capital Structure – Details of Shareholding of our Promoters, members of the Promoter Group in our Company" on page 64. There can be no assurance that our Promoters will exercise their rights as shareholders to the benefit and best interests of our Company. The interests of our Promoters could conflict with the interests of our other equity shareholders, and our Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

25. Our Promoters and certain of our Directors may be involved in ventures which are engaged in the same line of activity or business as that of our Company. Further, our Promoters, certain of our Directors, Key Managerial Personnel and Senior Management may be interested in our Company other than in terms of remuneration and reimbursement of expenses, and this may result in conflict of interest with us.

Our Director & Promoter Girdhari Lal Prajapat and Dabhi Vipul Gobarbhai, has interests in an entity that is engaged in the same line of business as our Company. For further details, see “Our Management – Board of Directors” on page 170. We cannot assure you that our Promoters and our relevant Directors will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in the future. This may give rise to a conflict of interest, which may adversely affect our business, financial condition and results of operations.

Further, certain of our Directors, Key Managerial Personnel and Senior Management are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, as applicable, to the extent of their shareholding, direct and indirect, stock options in our Company and benefits arising therefrom, and remuneration or benefits payable to their respective immediate relatives. Our Promoters are also interested in our Company to the extent of their shareholding in our Company and any benefits arising therefrom. For further information on the interest of our Directors, Key Managerial Personnel and Senior Management of our Company, see “Our Management – Interest of Directors” and “Our Management – Interests of Key Managerial Personnel and members of our Senior Management” on page 170, respectively. We cannot assure you that our Promoters, Directors, Key Managerial Personnel and Senior Management will exercise their rights as shareholders to the benefit and best interest of our Company.

26. We have in the past entered into related-party transactions and may continue to do so in the future.

We have entered into various transactions with our Directors/ Promoter and Promoter Group members in the past years. These transactions, inter-alia include, remuneration, loans and advances, etc. For details, please refer to “Annexure-IX- Related Party Transactions” under Section titled “Financial Information of the Company” of this Draft Prospectus. Our Company has entered such transactions on arms-length price in compliance with provisions of Companies Act, 2013 and other applicable laws. Although all related-party transactions that we may enter into in the future are subject to approval by Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions are not entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future, the same will be in compliance with the Companies Act 2013 & SEBI Regulations.

During the financial year 2022-23 and for the period from April 01, 2024 to July 02, 2024, Kavyadi Medical Store accounted for approximately 40.02% and 15.31% respectively of the company's revenue. Upon the incorporation of Medistep Healthcare Limited, Dabhi Vipul Gobarbhai was appointed as a Director of the company, resulting in Kavyadi Medical Store being classified as a related party under the applicable accounting and regulatory guidelines. Prior to this appointment, Kavyadi Medical Store did not fall under the related party classification.

27. Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior Shareholders’ approval.

Our Company intends to use the Net Proceeds for working capital requirement, capital expenditure and general corporate purposes, as described in “Objects of the Offer” on page 77. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to fund any other expenditure or any exigencies arising out of changes in our competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act 2013 and SEBI Regulations, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining shareholders’ approval through a special resolution. In the event of any such circumstances that require us to vary from the disclosed proposed utilization of the Net Proceeds, we may not be able to obtain 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 would be required to provide an exit opportunity to the Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of any contract referred to in this Draft Prospectus, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to a variation from the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to use any unutilized proceeds of the Offer in variation from the objects of the Offer, or vary the terms of any contract referred to in this Draft Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of the Net Proceeds, which may adversely affect our business, financial condition and results of operations. Additionally, various risks and uncertainties, including those set forth in this "Risk Factors" section, may limit or delay our Company's efforts to use the Net Proceeds to achieve profitable growth.

28. Our funding requirements and proposed deployment of the Net Proceeds of the Offer have not been appraised by a bank or a financial institution or any external agency and if there are any delays or cost overruns, our business, financial condition and results of operations may be adversely affected.

We intend to use the Net Proceeds for the purposes described in "Objects of the Offer" on page 77. The objects of the Offer have not been appraised by any bank or financial institution or any external agency. The proposed utilization of the Net Proceeds is based on current conditions, internal management estimates and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. Our internal management estimates may exceed fair market value which may require us to reschedule or reallocate our capital expenditure and may have an adverse effect on our business, financial condition, results of operations and cash flows.

Further, pending utilization of the Net Proceeds towards the objects of the Offer, our Company will have to temporarily deposit the Net Proceeds with one or more scheduled commercial banks listed in the Second Schedule of Reserve Bank of India Act, 1934, in a manner as may be approved by our Board. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of the Net Proceeds.

29. Information relating to the installed manufacturing capacity, actual production and capacity utilization of our manufacturing facilities included in this Draft Prospectus are based on various assumptions and estimates and future production and capacity may vary.

Information relating to the installed manufacturing capacity, actual production and capacity utilization of our manufacturing facilities included in this Draft Prospectus, including in "Our Business" on page 127, are based on various assumptions and estimates of our management that have been taken into account by an independent chartered engineer in the calculation of the installed manufacturing capacity, actual production and capacity utilization of our manufacturing facilities. These assumptions and estimates include the standard capacity calculation practice of the pharmaceuticals industry after examining the calculations and explanations our Company. In addition, the information relating to the actual production at our manufacturing facilities are based on, amongst other things, the examination of our internal production records, the period during which our manufacturing facilities operate in a year, expected operations, availability of raw materials, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies. Further, capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of relevant manufacturing facilities as of at the end of the relevant period. Accordingly, actual production levels and rates may differ significantly from the installed capacity information of our facilities or historical installed capacity information of our facilities depending on the product type. Undue reliance should therefore not be placed on our historical installed capacity information for our existing facilities included in this Draft Prospectus. For more details please refer to page no.151.

30. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

We have not declared dividends in the past. For further information, see "Dividend Policy" on page 195. Our ability to pay dividends in the future will depend on our Company's profits, past dividend trends, capital requirements and financial commitments, including restrictive covenants under our financing arrangements. The declaration and payment of dividends will be recommended by our Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing

arrangements. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

31. Our Company, Promoters, and Directors are not involved in certain legal and regulatory proceedings. Any legal matter which may arise in future may have a material adverse effect on our business, financial condition, cash flows and results of operations.

As on the date of filing this Draft Prospectus, there are no outstanding legal proceedings initiated by or against our Company, Promoters, Directors, and Group Companies that are incidental to our business and operation. A summary of outstanding litigation proceedings involving our Company, our promoters, our directors, and our group company as on the date of this Draft Prospectus is provided below:

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

33. Delay in raising funds from the IPO could adversely impact the implementation schedule.

The proposed fund requirement, for purchasing plant and machinery and working capital requirements, primarily, as detailed in the chapter titled "Objects of the Issue" beginning on page 77 is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We, therefore, cannot assure that we would be able to execute our future plans/strategy within the estimated time frame.

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

The issue proceeds is entirely at the discretion of the issuer/management. As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹ 10,000 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, as per the Section 177 of the companies Act, 2013, the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

35. Our insurance coverage may not be sufficient or adequate to cover our losses and liabilities. If we suffer a large uninsured loss or an insured loss that significantly exceeds our insurance coverage, our business, results of operations, financial condition and cash flows may be adversely affected.

Our business and operations are subject to risk, such as risks of equipment failure, work accidents, fire, natural disasters and other force majeure events, acts of terrorism and explosions, including hazards that may cause injury and loss of life, damage or destruction of property and equipment, environmental damage, and non-payment of amounts due to us by our clients, and product returns, among others. 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.

Our principal types of coverage include insurance for all types of stocks including but not limited to raw materials, Finished goods, Semi finished goods, Stocks in Process, Packing materials, consumable, Stores & spare items as applicable, including goods held in trust or commission and all other items pertaining to Insureds trade lying anywhere in the premises.

While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses.

In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner at acceptable costs or at all. However, in our track record, we have not claimed any insurance in past year.

For more information, please refer page no. **154** of this Draft Prospectus of Company.

36. The Indian pharmaceutical market is subject to extensive regulation and our failure to comply with the existing and future regulatory requirements in the pharmaceutical market could adversely affect our business, results of operations and financial condition.

We are subject to laws and government regulations in India and other jurisdictions in relation to our manufacturing operations, safety, health, environmental protection and labour., our products, including the process of manufacture, storage and distribution of our products, are subject to numerous laws and government regulations in relation to quality, safety and health. For details on laws and government regulations applicable to our business, see “Key Regulations and Policies in India” on page **156**.

We are required to obtain and maintain a number of statutory and regulatory permits, licenses and approvals under central, state and local government rules in India, generally for carrying out our business and for our manufacturing unit. For details of applicable regulations and material approvals relating to our business and operations, see “Key Regulations and Policies in India” and “Government and Other Approvals” on pages **156** and **257**, respectively.

37. Our inability to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations, financial condition and cash flows.

We have expanded our operations and experienced considerable growth in the past, certain metrics showing our growth are set out in the table below:

Industry Segment	30 th June 2024	% of Revenue from Operation	March 31, 2024	% of Revenue from Operation	March 31, 2023	% of Revenue from Operation	March 31, 2022	% of Revenue from Operation
Manufacturing of Sanitary Pad (DryStep)	258.87	23.01%	103.38	2.65%	Nil	0.00%	Nil	0.00%
Manufacturing of Energy Powder (VitaStep Z Powder)	69.87	6.21%	22.63	0.58%	Nil	0.00%	Nil	0.00%
Trading/ Distribution of Pharmaceutical and others Products	796.33	70.78%	3,781.18	96.77%	2764.68	100.00%	762.44	100.00%

We cannot assure you that we will be able to maintain our growth at historic levels or successfully implement our business plan and growth strategy in the future. For instance, we intend to continue to increase our market share and consolidate our leadership position in the domestic market for our CDMO business, elevate the presence of our domestic formulations business, expand our global presence, scale our API business, and prioritize R&D for product development across therapy areas and dosage forms. For details, see “*Our Business – Our Strategies*” on page **141**. Our growth strategies subject us to certain risks and could require us to expend additional capital.

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

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 additional legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchanges and compliances of SEBI Listing Regulation, 2015 which would require us to file audited annual and unaudited semi-annual and limited review reports with respect to our business and financial condition. If we delay making such filings, 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, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight 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. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner

39. Our Company has file certain forms with delayed fees and company cannot assure that no proceedings or regulatory actions will be initiated against it in relation to the non-filing and delayed filing.

Our company has filed certain forms with delayed fees with ROC. Although, no show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent.

We would like to inform you that these are the certain forms with the company has filed with delayed fees with ROC:

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Sr No	Particulars	Form	Financial Year	Delay (in days)
1	First Auditor appointment	ADT 1	2023-24	432
2	CFO resignation and appointment	DIR 12	2023-24	146
3	MD appointment	MR 1	2023-24	124
4	MD appointment	MGT 14	2023-24	150
5	Increase in Authorised Capital	MGT 14	2023-24	68
6	Increase in Authorised Capital	SH 7	2023-24	71
7	Change in Designation - Prajapati Hetalben Girdharilal	DIR 12	2024-25	153
8	Increase in Authorised Capital	SH 7	2024-25	14
9	Reconciliation of Share Capital	PAS 6	2024-25	03
10	Approval of accounts	MGT 14	2024-25	43
11	Auditor appointment in AGM FY 2024-25 to FY 2028-29	ADT 1	2024-25	6

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

Our Company is engaged in the manufacturing business and trading, which attracts tax liability such as Goods and Service tax and Income tax and other Statutory taxes as per the applicable provisions of Law. We have made delay in certain payment and filing of GST Returns in past years due to some beyond control reasons. Any demand or penalty imposed by the concerned authority in future for late payments or non-payments, both for any previous year and current year, will have an impact on the financial position of the Company. For instance, our company has previously experienced delayed filing of GST Returns and TDS return due to operational reasons, leading to the payment of late

fees and penalties. Any demands or penalties raised by the concerned GST authority and Income Tax authority for such late filings may affect the company's financial position."

Following are the details of the returns late filed by the company:

GST return late filing details:

Month	Year	Return Type	Due Date	Filing Date	No of days - Delay	Remarks
July	2023	GSTR 3B	20-08-2023	21-08-2023	1	Delay
April	2024	GSTR 1	11-05-2024	11-06-2024	31	Delay
May	2024	GSTR 1	11-06-2024	25-06-2024	14	Delay
April	2024	GSTR 3B	20-05-2024	14-06-2024	25	Delay
May	2024	GSTR 3B	20-06-2024	27-06-2024	7	Delay

TDS return late filing details:

Month	Year	Return Type	Due Date	Filing Date	No of days - Delay	Remarks
June	2023	26Q	30-09-2023	31-05-2024	244	Delay
June	2023	27EQ	30-09-2023	31-05-2024	244	Delay
June	2024	26Q	31-07-2024	22-08-2024	22	Delay

Note: - On July 02, 2023, Medistep healthcare Limited has acquired the entire running business on a going concern basis with Asset and Liabilities of M/s MG Pharma, a Sole Proprietorship owned by our Promoter, Ms. Prajapati hetalben girdharilal. M/s MG Pharma made delay in certain payment and filing of GST Returns in past years, if any demand or penalty imposed by the concerned authority in future for late payments or non-payments, for any previous year, will have an impact on the financial position of the Company.

Recognizing the significance of timely compliance with legal and regulatory obligations, our Company has undertaken corrective actions to prevent any recurrence of such delays. Specifically, we have assigned clear responsibility to relevant personnels, providing them with access to all necessary information and resources to ensure that statutory payments are made within the stipulated deadlines. Additionally, we have strengthened our internal processes to monitor and track due dates for all statutory obligations.

While these delays in the payment of statutory dues have not materially impacted our business or financial condition during the last financial years, we acknowledge that any future delays may pose risks. We cannot guarantee that similar issues will not arise in the future. Should any delays occur going forward, they may result in penalties, interest charges, or other regulatory actions, which could adversely affect our business operations, financial condition, profitability, and cash flow.

41. Expanding a company's business focus from trading pharmaceuticals to manufacturing sanitary pads and energy powders introduces several inherent risk factors that must be carefully evaluated.

A primary concern is the lack of experience within the company's management in the manufacturing sector, which could lead to inefficiencies, operational challenges, and higher-than-expected costs. Manufacturing requires specialized expertise in production processes, supply chain management, quality control, and regulatory compliance, particularly for consumer health products. Any missteps in these areas could impact product quality, customer satisfaction, and brand reputation. Additionally, entering new markets may expose the company to heightened

competition and the need for significant investments in marketing and distribution channels. These risks, combined with the potential for unforeseen challenges in acquiring raw materials, setting up production facilities, and meeting regulatory requirements.

EXTERNAL RISK FACTORS

Risks Related to Our Industry

42. We are exposed to government price controls which could negatively affect our results of operations.

In addition to normal price competition, the prices of certain of our products are or may be restricted by price controls imposed by governments and healthcare providers in India. Price controls can operate differently across countries and can cause wide variations in prices between markets. The existence of price controls may limit the revenue we earn from certain of our products. For example, in India, prices of certain pharmaceutical products are determined by the Drug Prices Control Order, 2013 (the “DPCO 2013”), promulgated by the Government of India. The DPCO 2013 prescribes, among other things, the ceiling price of scheduled formulations, the retail price of a new drug for existing manufacturers of scheduled formulations and the maximum retail price of scheduled formulations, and regulates the margin that can be offered to the retailers. Under the DPCO 2013, the price of scheduled drugs is determined on the basis of the average market price of the relevant drug. Such average price is arrived at by considering the prices charged by all companies that have a market share of at least 1.00% of the total market turnover on the basis of the moving annual turnover of the drug. Any non-compliance with the notified ceiling price or breach of the ceiling price prescribed under the DPCO 2013 would amount to overcharging the consumer under the DPCO 2013, and the amount charged over and above the ceiling price is required to be recovered from the manufacturer selling such drug, along with interest thereon from the date of overcharging. Further, the National Pharmaceuticals Pricing Policy, 2012 sets out the principles for pricing essential drugs as specified in the National List of Essential Medicines – 2011, to ensure the availability of such medicines at reasonable prices, while providing sufficient opportunity for innovation and competition. The National Pharmaceutical Pricing Authority (the “NPPA”) has notified the ceiling price for 866 formulations under the DPCO 2013 and NPPA may also notify the ceiling price for some or all of the remaining formulations listed in the National List of Essential Medicines – 2015. Some of our products are covered in the notification and will be subject to the fixed ceiling prices notified. On September 13, 2022, the Ministry of Health and Family Welfare, Government of India, notified the National List of Essential Medicines - 2022 (the “NLEM”), with immediate effect. Only 11.8% of our Domestic Sales for MAT September 2023 was attributed to sales of products listed on the NLEM, which was the 4th lowest among the 20 largest pharmaceutical companies in India in terms of Domestic Sales for MAT September 2023 (Source: CRISIL Report). These products include our Pause, Enoxarin, Exhep and Lomoh products, which are subject to price controls as a result of being on the NLEM. If the price of one or more of our products is regulated by the DPCO or the NPPA or other similar authorities outside India, our business and results of operations could be adversely affected. Further, any future changes in prices of any of our products due to the changes in government price controls and other related laws and regulations cannot be anticipated and may adversely affect our business, financial condition, cash flows and results of operations.

43. Introduction of stricter norms regulating marketing practices by pharmaceutical companies could affect our ability to effectively market our products, which may have an adverse effect on our business, results of operations and financial condition.

In December 2014, the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers of the Government of India announced details of the Uniform Code for Pharmaceutical Marketing Practices (the “UCPMP”), which became effective across India from January 1, 2015. The UCPMP is a voluntary code of marketing practices for the Indian pharmaceutical industry that, among other things, provides detailed guidelines on promotional materials, conduct of medical representatives, drug and product samples, and claims and comparisons regarding products, gifts and relationships with healthcare professionals. Further, UCPMP aims to prevent unethical practices by the pharmaceutical companies. Under the UCPMP, there are specific conditions to be observed by 78 pharmaceutical companies and their medical representatives when providing samples to persons qualified to prescribe such products. Further, pharmaceutical companies or their agents may not supply, offer or promise any gifts, pecuniary advantages or benefits in kind to persons qualified to prescribe or supply drugs. The managing director of the pharmaceutical company is responsible for ensuring adherence to the UCPMP, and a declaration is required to be submitted by the executive head

of the company within two months of closure of every financial year to their respective pharmaceutical manufacturer association and is to be uploaded on the websites of such company and association. The UCPMP also specifies the mode of operation of the code, a constitution of an 'Ethics Committee for Pharmaceutical Marketing Practices' for handling complaints and an 'Apex Ethics Committee for Pharmaceutical Marketing Practices' for reviewing decisions, procedures for lodging and handling of complaints, and penalty provisions. In this regard, the Federation of Medical and Sales Representatives Association of India has filed a public interest litigation (the "PIL") before the Supreme Court of India seeking, among other things, a direction to the Central Government to make the UCPMP a binding statutory code regulating pharmaceutical marketing practices. The PIL seeks to make pharmaceutical companies criminally liable for bribing doctors through "freebies", wherein the customer pays for branded medicines that are over-prescribed by doctors. Although the UCPMP is currently a voluntary code, the UCPMP or any other law regulating marketing practices by pharmaceutical companies that may be instituted in the future and which requires mandatory compliance may impact the ability of pharmaceutical companies to effectively market their products and require considerable time and resources to ensure compliance.

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

The industry in which we operate is continually changing due to technological advances, scientific discoveries and novel chemical processes, with constant introduction of new and enhanced products. These changes result in the frequent introduction of new products and significant price competition. Although we strive to maintain and upgrade our technologies, facilities and machinery consistent with current international standards, we cannot assure you that we will be able to successfully make timely and cost-effective enhancements and additions to our technological infrastructure, keep up with technological improvements in order to meet our customers' needs or that the technology developed by others will not render our products less competitive or attractive. The cost of implementing new technologies for our operations could be significant, which could adversely affect our business, financial condition, results of operations and cash flows. In addition, the new technologies we adopt from time to time may not perform as expected. In particular, our current biotherapeutics manufacturing processes are driven by an artificial intelligence machine learning (AI ML) model which is based on predictions, monitoring and control. These systems are relatively novel and, as such, they may behave less predictably than conventional technological systems. We cannot assure you that our artificial intelligence systems will perform as well as or better than our current technologies. Further, the increased unpredictability of artificial intelligence may lead to the incurrence of unforeseeable losses or damage.

Risks Related to India

45. Political, economic or other factors that are beyond our control may have an adverse effect on our business, financial condition, results of operations and cash flows.

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. We are incorporated in and currently manufacture only in India and, as a result, are dependent on prevailing economic conditions in India. Our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- occurrence of natural or man-made disasters (such as hurricanes, typhoons, floods, earthquakes, tsunamis and fires) which may cause us to suspend our operations;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war may adversely affect the Indian markets as well as result in a loss of business confidence in Indian companies;

- epidemics, pandemics or any other public health concerns in India or in countries in the region or globally, including in India's various neighboring countries, such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 pandemic;
- any downgrading of India's debt rating by a domestic or international rating agency;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

While our results of operations may not necessarily track India's economic growth figures, the Indian economy's performance nonetheless affects the environment in which we operate. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, financial condition and results of operations, and the price of the Equity Shares.

46. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition, cash flows and prospects.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition, cash flows and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

For instance, the Government of India has announced the union budget for the Financial Year 2024-25 pursuant to which the Finance Act, 2024 has introduced various amendments to taxation laws in India. As such, there is no certainty on the effect that the Finance Act, 2024 may have on our business and operations or on the industry in which we operate.

The Ministry of Health and Family Welfare, Government of India, released a draft of Drugs, Medical Devices and Cosmetics Bill, 2022 on June 22, 2022, that proposes to amend and consolidate the laws relating to import, manufacture, distribution and sale of drugs, medical devices and cosmetics, as well as the laws relating to clinical trials of new drugs and clinical investigation of investigational medical devices.

The Digital Personal Data Protection Act, 2023 ("DPDP Act") which has received the assent of the President on August 11, 2023, provides for personal data protection and privacy of individuals, regulates cross border data transfer, and provides several exemptions for personal data processing by the Government. It also provides for the establishment of a Data Protection Board of India for taking remedial actions and imposing penalties for breach of the provisions of the DPDP Act. It imposes restrictions and obligations on data fiduciaries, resulting from dealing with personal data and further, provides for levy of penalties for breach of obligations prescribed under the DPDP Act.

Further, the Government of India introduced new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 ("Social Security Code"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labour legislations, which were to take effect from April 1, 2021 (collectively, the "Labour Codes"). The Government of India has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been finalized, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely affect our profitability. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund.

The Parliament of India has passed the Bharatiya Nyaya Sanhita, 2023, the Bharatiya Nagarik Suraksha Sanhita, 2023 and the The Bharatiya Sakshya Adhiniyam, 2023 which was passed to replace the Indian Penal Code, 1860, the Code of Criminal Procedure, 1973 and the Indian Evidence Act, 1872, respectively, the president of the India has given his assent on 25th December 2023.

Unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with 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, financial condition, cash flows and prospects. Uncertainty in the application, 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 businesses in the future.

47. Any downgrading of India's debt rating by an international rating agency could have a negative effect on our business and the trading price of the Equity Shares.

India's sovereign debt rating could be downgraded due to several factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, all which are beyond our control. Our borrowing costs and our access to the debt capital markets depend significantly on the sovereign credit ratings of India. Any adverse revisions to India's credit ratings for domestic and overseas debt by international rating agencies may adversely affect our ability to raise additional external financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of the Equity Shares.

48. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA and the rules thereunder. Under foreign exchange regulations currently in force in India, the transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Further, 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. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Rules, investments where the beneficial owner of the equity shares is situated in or is a citizen of a country which shares a land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. Further, foreign investment in brownfield pharmaceuticals, irrespective of entry route, is further subject to additional conditions in relation to the production level of NLEM drugs and research and development expenses. For further information, see "Restrictions on Foreign Ownership of Indian Securities" on page 308. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or conditions, or at all, or that we will be able to continue to comply with all the conditions prescribed under the FEMA Rules.

49. Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals

for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

50. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance of our business. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence and spending. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

52. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well as the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

Risks Related to the Offer

53. Our Equity Shares have never been publicly traded, and, after the Offer, our Equity Shares may experience price and volume fluctuations, and an active trading market for our Equity Shares may not develop.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market for our Equity Shares may not develop. Listing and quotation does not guarantee that a market for our Equity Shares will develop, or if developed, the liquidity of such market for our Equity Shares. The Offer Price of our Equity Shares decided by the company in consultation with lead manager is based on numerous factors, including factors as described under "Basis for Offer Price" on page 89, and may not be indicative of the market price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter. The market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of research 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;
- conditions in financial markets, including those outside India;
- a change in research analysts' recommendations;
- announcements by us or our competitors of new products, significant acquisitions, strategic alliances, joint operations or capital commitments;

- announcements by third parties or government entities of significant claims or proceedings against us;
- new laws and government regulations or changes in laws and government regulations applicable to our industry;
- additions or departures of Key Managerial Personnel and Senior Management;
- general economic and stock market conditions; and
- changes in relation to any of the factors listed above could affect the price of our Equity Shares.

Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

54. Any significant sale of Equity Shares by our Promoter Group or future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and may adversely affect the trading price of our Equity Shares.

We may be required to finance our growth through future equity offerings. Any future issuance of our Equity Shares, convertible securities or securities linked to our Equity Shares by our Company, including through exercise of employee stock options may lead to dilution of your shareholding in our Company.

Any sale of our Equity Shares by our Promoter Group or future equity issuances by us may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of further Equity Shares after the completion of the Offer (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations), or pledge or encumber their Equity Shares in the future.

55. Fluctuations in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the NSE. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

56. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.

Under the Companies Act, a company incorporated in India and having share capital must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of our Equity Shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional equity interests in our Company would be diluted.

57. Subsequent to the listing of the Equity Shares, we may be subject to pre-emptive surveillance measures, such as the Additional Surveillance Measures and the Graded Surveillance Measures by the Stock Exchanges in order to enhance the integrity of the market and safeguard the interest of investors.

Subsequent to the listing of the Equity Shares, we may be subject to Additional Surveillance Measures (“ASM”) and Graded Surveillance Measures (“GSM”) by the Stock Exchanges. These measures are in place to enhance the integrity of the market and safeguard the interest of investors. The criteria for shortlisting any security trading on the Stock Exchanges for ASM is based on objective criteria, which includes market-based parameters such as high 85 low price variation, concentration of client accounts, close to close price variation, market capitalization, average daily trading volume and its change, and average delivery percentage, among others. Securities are subject to GSM when its price is not commensurate with the financial health and fundamentals of the issuer. Specific parameters for GSM include net worth, net fixed assets, price to earnings ratio, market capitalization and price to book value, among others. Factors within and beyond our control may lead to our securities being subject to GSM or ASM. In the event our Equity Shares are subject to such surveillance measures implemented by any of the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

58. Rights of shareholders of companies under Indian law may be different compared to the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors’ fiduciary duties, responsibilities and liabilities, and shareholders’ rights may differ from those that would apply to a company in another jurisdiction. Shareholders’ rights under Indian law may not be as extensive and widespread as shareholders’ rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as a shareholder in an Indian company rather than as a shareholder of an entity in another jurisdiction.

59. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of National Stock Exchange of India Limited in a timely manner or at all.

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuance of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of NSE Emerge. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

60. Investors will not be able to sell immediately on the Stock Exchanges any of the Equity Shares you purchase in the Issue.

The Equity Shares will be listed on the Emerge Platform of National Stock Exchange of India Limited. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Upon receipt of final approval from the Stock Exchanges, trading in the Equity Shares is to commence within three (3) working days of the date of closure of the Issue or such other time as may be prescribed by SEBI.

We cannot assure that the Equity Shares will be credited to investors’ demat accounts, or that trading in the Equity Shares will commence, within the time period prescribed by law. Further, there can be no assurance that the Equity Shares to be Allotted pursuant to this Issue will be listed on the Stock Exchanges in a timely manner or at all.

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THE ISSUE

The present Issue of 37,44,000 Equity Shares of face value of ₹ 10/- each in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors held on 20th June 2024 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013, at the Extraordinary General Meeting of the members held on 20th June 2024.

The following is the summary of the Issue:

Particulars	Details of Number of Shares
Issue of Equity Shares by our Company	37,44,000 Equity Shares of face value Rs.10/- each fully paid-up for cash at price of (●) per Equity Share (including premium of (●) per equity shares) aggregating to (●).
Of which:	
Reserved for Market Makers	[●] Equity Shares of face value Rs.10/- each fully paid-up for cash at price of (●) per Equity Share (including premium of (●) per equity shares) aggregating to (●).
Net Issue to the Public	[●] Equity Shares of face value Rs.10/- each fully paid-up for cash at price of (●) per Equity Share (including premium of (●) per equity shares) aggregating to (●).
Of which:	
Retail Investors Portion**	[●] Equity Shares of face value Rs.10/- each fully paid-up for cash at price of (●) per Equity Share (including premium of (●) per equity shares) aggregating to (●), i.e. [●] of the Net Issue shall be available for allocation for Retail Individual Investors.
Non-Retail Investors Portion**	[●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of (●) per Equity Share (including premium of (●) per equity shares) aggregating to (●), i.e. [●] of the Net Issue shall be available for allocation for Investors other than Retail Individual Investors.
Pre-and Post-Issue Equity Shares:	
Equity Shares outstanding prior to the Issue	1,04,65,546 Equity Shares of face value Rs.10/- each
Equity Shares outstanding after the Issue	1,42,09,546 Equity Shares of face value Rs.10/- each
Use of Issue Proceeds	For further details please refer chapter titled “Objects of the Issue” beginning on page no 77 of this Draft Prospectus for information on use of Issue Proceeds

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

- a) *Minimum fifty percent to retail individual investor; and*
- b) *Remaining to:*
 - i. *Individual applicants other than retail individual investors; and*
 - ii. *Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;*

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category. If the retails individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retails individual investors shall be allocated that higher percentage.

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

The Offer is being made by our Company in terms of Regulation 229(2) of the SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-Offer paid-up equity share capital of our Company are being offered to the public for subscription.

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SUMMARY OF FINANCIAL INFORMATION

(Amt. in Lakhs)

Particulars	As at 30 June, 2024	As at 31 March, 2024	As at 2nd July, 2023	As at 31 March, 2023	As at 31 March, 2022
EQUITY AND LIABILITIES					
1. Shareholders' funds					
(a) Equity Share capital	1046.55	489.94	142.12	107.24	33.11
(b) Reserves and surplus	324.66	679.11	-	-	-
Total Shareholder's Fund	1371.21	1169.05	142.12	107.24	33.11
2. Non-current liabilities					
(a) Long-term borrowings	22.67	7.23	16.46	26.13	82.31
(b) Deferred tax liabilities (net)	-	-	-	-	-
(c) Other Long-Term Liabilities	-	-	-	-	-
(d) Long-term provisions	0.66	0.66	-	-	-
Total Non-Current Liabilities	23.33	7.89	16.46	26.13	82.31
3. Current liabilities					
(a) Short-term borrowings	21.38	25.38	22.71	27.11	23.43
(b) Trade payables	795.95	140.95	916.34	1264.07	541.18
(c) Other current liabilities	5.16	2.13	0.69	3.47	23.24
(d) Short-term provisions	184.87	150.23	51.66	37.72	6.43
Total Current Liabilities	1007.36	318.69	991.40	1332.36	594.28
TOTAL	2,401.90	1,495.63	1,149.98	1,465.74	709.70
ASSETS					
1. Non-current assets					
(a) Property, Plant & Equipment and Intangible Assets					
(i) Property, Plant and Equipment	14.69	15.49	2.30	2.49	48.96
(ii) Intangible assets					
(iii) Work in Progress					
(b) Non-Current Investment	0.15	0.15	0.15	0.15	0.15
(c) Deferred Tax Assets (Net)	0.65	0.61	0.38	0.36	0.05
(d) Long-term loans and advances					
(e) Other Non-Current Assets					
Total Non-Current Assets	15.49	16.25	2.83	3.00	49.16
2. Current assets					
(a) Inventories	54.08	92.88	92.40	50.45	40.25
(b) Trade receivables	2324.51	1375.09	1051.34	1398.25	572.63
(c) Cash and Bank Balance	2.61	0.97	3.41	12.43	3.10
(d) Short-term loans and advances	0.65	0.55	-	-	41.09
(e) Other current assets	4.56	9.89	-	1.61	3.47
Total Current Assets	2386.41	1479.38	1147.15	1462.74	660.54
TOTAL	2401.90	1495.63	1149.98	1465.74	709.70

RESTATED STATEMENT OF PROFIT AND LOSS

(Amt. in Lakhs)

Particulars	For the period ended 30 June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Income					
Revenue from Operations	1125.07	3161.51	745.68	2764.68	762.44
Other Income	0.19	1.01	-	9.01	-
Total Income (I + II)	1125.26	3162.52	745.68	2773.69	762.44
Expenditure					
Cost of material Consumed	166.95	63.97	-	-	-
Purchases of Traded Goods	763.69	2760.52	723.48	2622.78	723.90
Changes in Inventories of Finished Goods, Work in Progress and Traded Goods	34.92	(86.75)	(41.95)	(10.20)	(18.90)
Employee benefits expenses	5.61	12.04	3.07	11.32	11.40
Other expenses	15.14	16.13	2.50	6.89	10.28
Total expenses	986.30	2765.90	687.09	2630.78	726.68
Profit Before Interest, Depreciation and Tax	138.96	396.62	58.59	142.91	35.76
Depreciation & Amortization Expenses	0.80	2.00	0.19	6.54	6.15
Profit Before Interest and Tax	138.16	394.62	58.40	136.37	29.61
Financial Charges	1.63	5.28	3.09	13.30	4.26
Profit before Taxation	136.53	389.34	55.31	123.07	25.35
Tax Expense:					
1. Current Tax	34.41	98.22	13.94	31.29	6.43
2. Deferred Tax charge/ (benefit)	(0.04)	(0.23)	(0.02)	(0.32)	(0.05)
Total Tax expense	34.37	97.99	13.91	30.98	6.38
Net profit/loss for the year	102.16	291.35	41.40	92.10	18.97
Earning Per Equity Share:	1.03	19.96			
Basic & Diluted After Bonus					

RESTATED CASH FLOW STATEMENT
(Amount in Lakhs)

PARTICULARS	As at 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Profit before tax					
Cash Flow from Operating Activities					
Profit/(Loss) before exceptional items and tax	136.53	389.34	55.31	123.07	25.35
Adjustments:					
Finance costs	1.63	5.28	3.09	13.30	4.26
Depreciation and amortization costs	0.80	2.00	0.19	6.54	6.15
Profit on sale of fixed Assets	-	-	-	(9.01)	-
Operating profit/(loss) before working capital changes	138.96	396.62	58.59	133.91	35.76
Adjustment for changes in working capital					
Adjustments for (increase)/decrease in operating assets					
Inventories	38.80	(0.47)	(41.95)	(10.20)	(18.90)
Trade receivables	(949.42)	(323.75)	346.91	(825.61)	(547.26)
Other current assets	5.33	(9.89)	1.61	1.87	(0.19)
Short-term loans and advances	(0.10)	(0.55)	-	41.09	(17.30)
Trade payables	655.02	(775.41)	(347.73)	722.88	485.02
Short-term provisions	0.23	0.36	-	-	-
Long-term provisions	-	0.66	-	-	-
Other current liabilities	3.00	1.44	(2.76)	(19.77)	22.44
Cash generated from/(used in) operating activities	(108.17)	(711.00)	14.66	44.16	(40.43)
Direct taxes paid (net of refunds)					
Net cash generated from/(used in) operating activities (B)	(108.17)	(711.00)	14.66	44.16	(40.43)
Cash Flow from Investing Activities					
Purchase of tangible assets	-	(15.19)	-	-	(43.56)
shares in Kankariya Bank	-	-	-	-	(0.15)
Net Cash Generated/(Used) From Investing Activities (B)	-	(15.19)	-	-	(43.71)
C. CASH FLOW FROM FINANCING ACTIVITIES					
a. Interest & Finance Cost	(1.63)	(5.28)	(3.09)	(13.30)	(4.26)
b. Proceeds/ Repayment of share capital/Proprietors Capital	100.00	0.72	(6.53)	(4.83)	(3.71)
c. (Repayments) / proceeds of long term borrowings	15.44	(9.23)	(9.67)	(20.38)	69.90
d. (Repayments) / proceeds of short term borrowings	(4.00)	737.53	(4.40)	3.68	23.43

Net Cash Generated/(Used) From Financing Activities (C)	109.81	723.75	(23.68)	(34.83)	85.36
Net Increase / Decrease) in cash and cash equivalents (A+B+C)	1.64	(2.44)	(9.02)	9.33	1.23
Cash and cash equivalents at the beginning of the year	0.97	3.41	12.43	3.10	1.87
Cash and cash equivalents at the end of the year	2.61	0.97	3.41	12.43	3.10

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GENERAL INFORMATION

Our Company was originally incorporated on June 05, 2023 as 'Medistep Healthcare Limited', as a Public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by Registrar of Companies, Ahmedabad. Thereafter our company acquired the business of Proprietorship Concern of one of our Promoter **Ms. Prajapati Hetalben Girdharilal** viz, *M/s MG Pharma* through the business transfer agreement dated July 02, 2023. Subsequently the business of the sole proprietorship firm was transferred into Medistep healthcare Limited. The Corporate Identification Number of Our Company Is U21009GJ2023PLC141841.

Registered Office	05, S. No-245/B, Plot-19, T.P.S. 56, Free Way Trade Center, Nr. A-One Hotel, N.H.-8, Narol Gam, Ahmedabad City, Gujarat, India, 382405 Tel.: +91 8780846963 E-mail: info@medistephc.com Website: www.medistephc.com			
Date of Incorporation	June 05, 2023			
Corporate Identity Number (CIN)	U21009GJ2023PLC141841			
Company Category	Company Limited by Shares			
Registrar of Company	Registrar of Companies, Ahmedabad Address: ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat Email: roc.ahmedabad@mca.gov.in Website: www.mca.gov.in			
Company Secretary and Compliance Officer	Jagriti Sharma Address: Kanav Mahajan House number D 2 phase 1 near sonakpur stadium M I G ramganga vihar, moradabad, Uttar Pradesh - 244001 Tel: +91 6351054499 Email: cs@medistephc.com			
Chief Financial Officer	Jagdish Prajapati Address: 18, Bhoi vas, Navi shahwadi, Narol road, Narol, Ahmedabad, Gujarat - 382405 Tel: + 91 70166 58171 E-mail: cfo@medistephc.com			
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited Address: Exchange Plaza, Plot no. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai – 400051			
Issue Programme	Issue Opens On:	[●]	Issue Closes On:	[●]

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

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE OF OUR COMPANY:

Lead Manager to the Issue	Registrar to the Issue
 Fastrack Finsec Category-I Merchant Banker	 CAMEO
Fast Track Finsec Private Limited	Cameo Corporate Services Limited
Address: Office No. V-116, 1 st Floor, New Delhi House 27, Barakhamba Road, New Delhi – 110001	Address: “Subramanian Building”, No. 1, Club house Road, Chennai-600002
Tel No.: +91 – 011-43029809 Fax No. Not Available	Tel No: +91-44-40020700; Fax No: +91-44-28460390
Email: mb@ftfinsec.com investor@ftfinsec.com	Email: ipo@cameoindia.com
Website: www.ftfinsec.com	Website: www.cameoindia.com
Contact Person: Ms. Sakshi	Contact Person: Ms. K Sreepriya, Executive vice president
SEBI Registration No. INM000012500	SEBI Registration No.: INR000003753
Market Maker	Peer Reviewed/ Statutory Auditor
[•]	Kapish Jain & Associates
[•]	Chartered Accountants
Address: [•]	Address: B-504, Statesman House, 148, Barakhamba Road, New Delhi- 110001
Tel No.: [•]	Tel No. +91-11-43708987 Fax No. NA
Email: [•]	Email: ca.kapish@gmail.com
Website: [•]	Contact Person: CA Kapish Jain
Contact Person: [•]	Firm Registration No.: 022743N
SEBI Registration No.: [•]	Peer Review Certificate No.: 017639
Banker to the Issue & Sponsor bank	
Name: [•]	
Address: [•]	
Tele. No.: [•]	
Fax No. [•]	
E-mail: [•]	
Website: [•]	
Banker to the company	Legal Advisor
Name: ICICI Bank Limited	Aman Thukral, Advocate
Address: Shop No. 4, Sukan Business Centre, Navrangpura, off CG Road, Ahmedabad – 380 009	Address: 701, 7 th Floor, Prakashdeep Building, 7, Tolstoy Marg, New Delhi – 110001
Tele. No.: 9909989391	Mobile. No.: 91-9891602513
E-mail: viral.o@icicibank.com	Email Id: amanthukral@outlook.com
Website: www.icicibank.com	Contact Person: Mr. Aman Thukral
Contact Person: Mr. Viral Hareshbhai Oza	Enrollment no.: D/3041/2018

DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

Our Board comprises the following Directors, as on the date of filing of this Draft Prospectus:

Name	Designation	DIN	Address
Girdhari Lal Prajapat	Managing Director	09513249	A-101 Rashmi Pearl-2, Near Karnavati 2 Residency, Narol Aslali Road, Opp. Shri Hari Residency, Narol Ahmedabad Gujarat-382405
Dabhi Vipul Gobarbhai	Executive Director	09513250	Block-8, Gangavihar Society, Lathi Road Amreli, Amreli, Gujarat-365601
Prajapati Hetalben Girdharilal	Non-Executive Director	10190667	A-101 Rashmi Pearl-2, Near Karnavati 2 Residency, Narol Aslali Road, Opp. Shri Hari Residency, Narol, Ahmedabad Gujarat-382405
Khoda Anandbhai Jitendrabhai	Independent Director	10425093	A-402, Shubhlaxmi Appartment Opp. Mangal Park, Bareja, Ahmedabad -382425
Dodiya Kapilbhai Raysinhbhai	Independent Director	10425157	Navi Mamladar Kacheri Pashal Suraj Kuj Kodinar, Kodinar Khadudyog, Junagadh Kodinar- 362725

For brief profiles and further details in relation to our Board of Directors, see “Our Management” on page 170.

INVESTOR GRIEVANCES

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

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

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Lead Manager shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount.

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES OF THE LEAD MANAGER

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

SELF-CERTIFIED SYNDICATE BANKS

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Applicant, (other than an RII using the UPI Mechanism), not Applying through Syndicate or through a Registered Broker, may submit the ASBA Forms, is available at the abovementioned link, and at such other websites as may be prescribed by SEBI from time to time.

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

INVESTORS BANKS OR ISSUER BANKS FOR UPI

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

SCSBs ENABLES FOR UPI MECHANISM

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

REGISTERD BROKERS

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at National Stock Exchange of India Limited at www.nseindia.com as updated from time to time.

REGISTRAR AND SHARE TRANSFER AGENT

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of National Stock Exchange of India Limited at www.nseindia.com/products/content/equities/ipos/asba_procedures.htm as updated from time to time.

Collecting Depository Participants

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

IPO GRADING

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

CREDIT RATING

As this is an Issue of Equity Shares, credit rating is not required.

TYPE OF ISSUE

The present Issue is considered to be 100% Fixed Price Issue.

GREEN SHOE OPTION

No Green Shoe Option is applicable for this Issue.

BROKERS TO THE ISSUE

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

DEBENTURE TRUSTEES

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

APPRAISAL AND MONITORING AGENCY

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

APPRAISING ENTITY

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

EXPERT TO THE OFFER

Except the report of the peer review auditor on Statement of Tax Benefits and report on Restated Financials, for the period ended June 30, 2024 for the years ended March 31, 2024, 2023 and 2022 is included in this Draft Prospectus, our company has not obtained any expert opinion.

FILING

The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in> . Further, a copy of Prospectus, will also be filed with the EMERGE Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

A copy of the Prospectus, along with the material contracts, documents and the Prospectus will also be filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do> .

ISSUE PROGRAMME

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with NSE Emerge	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on NSE Emerge	[●]

CHANGES IN AUDITORS DURING THE LAST 3 YEARS

M/s Rubi Agarwal & Associate., Chartered Accountants were appointed as an Auditor of Company on July 01, 2023 to hold office till the conclusion of the 1st Annual General Meeting of the Company.

In Annual General Meeting held on September 30, 2024 of Company, M/s Kapish Jain & Associates, Chartered Accountants (Firm Registration No.022743N), were appointed as Auditor of the Company who shall hold the office as statutory auditor till the conclusion of Annual General Meeting of the Company for the FY 2028-29.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the LM, reserve the right not to proceed with the Issue at any time before the Bid/Issue Opening Date without assigning any reason thereof.

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

If our Company withdraw the Issue after the Bid/Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment;

UNDERWRITING AGREEMENT

Our Company and LM to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

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

In terms of Regulation 260(1) of the SEBI ICDR Regulations, the initial public offer shall be underwritten for hundred per cent (100%) of the Issue and shall not be restricted up to the minimum subscription level. As per Regulation 260(2) of SEBI ICDR Regulations, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

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

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company has entered into a Market Making Agreement dated [●] with the following Market Maker for fulfilling the Market Making obligations under this Issue:

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with National Stock Exchange of India Limited to fulfil the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue. [●], registered with EMERGE Platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Limited and SEBI in this matter from time to time.

In terms of regulation 261(6) of SEBI ICDR Regulations, Market Maker shall not buy the Equity Shares from the Promoters or persons belonging to Promoter Group of the Company or any person who has acquired equity shares from such Promoters or person belonging to Promoter Group, during the compulsory market making period.

In terms of regulation 261(7) of SEBI ICDR Regulations, the Promoters' holding of the Company shall not be eligible for offering to the Market Maker during the compulsory market making period. However, the promoters' holding of our Company which is not locked-in as per the SEBI ICDR Regulations, can be traded with prior permission of the NSE Emerge, in the manner specified by SEBI from time to time.

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

- 1) The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- 2) The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of NSE Limited and SEBI from time to time.
- 3) The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 4) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 5) There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 6) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- 7) The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 8) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 9) The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further, our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.
- 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 Maker:** Emerge Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Makers, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/ fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
- 12) The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/

suspension for any type of misconduct/ manipulation/ other irregularities by the Market Makers from time to time.

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

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

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

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

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CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Prospectus is set forth below:

(Rs. in Lakhs)

S. No.	Particulars	Aggregate Nominal value	Aggregate value at offer price
A.	Authorised Share Capital		
	1,50,00,000 Equity Shares of face value Rs.10/- each	1,500.00	-
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	1,04,65,546 Equity Shares of face value Rs.10/- each	1,046.55	-
C.	Present Issue in terms of the Draft Prospectus		
	Issue of 37,44,000 Equity Shares of face value Rs.10/- each at a price of Rs. [●]/- per share	374.40	[●]
	Consisting of:		
(I)	Reservation for Market Maker- [●] Equity Shares of face value Rs.10/- each at a price of Rs. [●]/- per Equity Share reserved as Market Maker Portion.	[●]	[●]
(II)	Net Issue to the Public – [●] Equity Shares of face value Rs.10/- each at a price of Rs. [●]/- per Equity Share.	[●]	[●]
	Of the Net Issue to the Public		[●]
(I)	Allocation to Retail Individual Investors – [●] Equity Shares of face value Rs.10/- each at a price of Rs. [●]/- per Equity Share shall be available for allocation for Investors applying for a value of up to Rs. 2.00 Lakhs.	[●]	[●]
(II)	Allocation to Other than Retail Individual Investors – [●] Equity Shares of face value Rs.10/- each at a price of Rs. [●]/- per Equity Share shall be available for allocation for Investors applying for a value of above Rs.2.00 Lakhs.	[●]	[●]
D.	Issued, Subscribed and Paid-up Share Capital after the Issue		
	1,42,09,546 Equity Shares of face value Rs. 10/- each	1420.95	
E.	Securities Premium Account		
	Before the Issue (as on the date)	33.33	
	After the Issue		[●]

Notes:

- 1) *The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.*
- 2) *The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on June 20th, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on June 20th, 2024.*
- 3) *In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price.*

CLASSES OF SHARES

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

DETAILS OF CHANGES IN AUTHORIZED SHARE CAPITAL OF OUR COMPANY SINCE INCORPORATION

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

S. No.	Date	No. of Shares	Face Value (in Rs.)	Cumulative No. of Shares	Cumulative Authorized Share Capital (in Rs.)	Whether AGM / EGM
1.	On Incorporation	10,000	10	-	1,00,000	NA
2.	01 July 2023	29,90,000	10	30,00,000	3,00,00,000	EGM
3.	15 March 2024	80,00,000	10	1,10,00,000	11,00,00,000	EGM
4.	September 30, 2024	40,00,000	10	1,50,00,000	15,00,00,000	EGM

NOTES TO THE CAPITAL STRUCTURE

1. Share Capital History of our company:

Equity Share capital

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

S.no.	Date of Allotment	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid-up Capital (Rs.)	Cumulative Securities premium (Rs.)
1.	On Incorporation ⁽¹⁾	10,000	10	10	Cash	Subscribers to Memorandum of Association	10,000	1,00,000	NA
2.	30.12.2023 ^{*(2)}	19,50,000	10	10	Against sales consideration	Preferential Allotment	19,60,000	1,96,00,000	NA
3.	20.03.2024 ^{*(3)}	29,39,440	10	25	Cash	Loan Conversion	48,99,440	4,89,94,400	NA
4.	12.04.2024 ^{*(4)}	48,99,440	10	1:1	Other than cash	Bonus Issue	97,98,880	9,79,88,800	NA
5.	10.06.2024 ^{*(5)}	6,66,666	10	15	Cash	Preferential Allotment	1,04,65,546	10,46,55,460	NA

- 1) Initial Subscribers to Memorandum of Association hold 10,000 Shares each of face value of Rs. 10/- fully paid up as per the details given below:

S. No.	Name of Person	No. of Shares Allotted
1.	Ms. Nishakumari Vicky Agrawal	100
2.	Ms. Dabhi Dharmishtaben V	100
3.	Mr. Vishnu Kumar	100
4.	Mr. Vicky Mahadev Agrawal	100
5.	Mr. Dabhi Vipul Gobarbhai	100
6.	Ms. Prajapati Hetalben Girdharilal	9,400
7.	Mr. Girdharilal Prajapat	100
Total		10,000

- 2) Preferential Allotment through slump sale of 19,50,000 Equity Shares of face value Rs. 10/- each at 30.12.2023. The details of which is given below:

S. No.	Name of Person	No. of Shares Allotted
1.	Ms. Prajapati Hetalben Girdharilal	19,50,000
Total		19,50,000

- 3) Allotment of 29,39,440 equity shares at an issue price of Rs.25/- per share, by way of conversion of an unsecured loan amounting to ₹7,34,86,000 on 20.03.2024.

S. No.	Name of Person	No. of Shares Allotted
1.	Mr. Dabhi Vipul Gobarbhai	6,34,840
2.	Mr. Girdhari lal Prajapat	7,05,800
3.	Ms. Prajapati Hetalben Girdharilal	15,98,800
Total		29,39,440

- 4) Bonus issue of 48,99,440 Equity Shares of face value of ₹ 10 each in the ratio of One (1) new equity share for every one (1) Equity Shares held on 12.04.2024 to following persons:

S.No	Name of Allottes	Face Value	Issue Price	Nature of Allotment	Number of shares allotted
1	Ms. Prajapati Hetalben Girdharilal	10/-	NA	Bonus issue	35,58,200
2	Mr. Girdharilal Prajapat	10/-	NA		7,05,900
3	Mr. Dabhi Vipul Gobarbhai	10/-	NA		6,34,940
4	Ms. Nishakumari Vicky Agrawal	10/-	NA		100
5	Mr. Agrawal Vicky Mahadev	10/-	NA		100
6	Mr. Vishnu Kumar	10/-	NA		100
7	Ms. Dabhi Dharmishtaben V	10/-	NA		100
Total					48,99,440

Note: Bonus is made on the basis of Audited Financial Statements as on March 31, 2024

Pursuant to the resolution passed by the Board of Directors on April 5, 2024, and the resolution passed by the Shareholders on April 10, 2024, the Board subsequently passed a resolution on April 12, 2024, approving the allotment of shares.

Our free reserves immediately before the bonus issue were ₹ 340.36 Lakh and immediately after the bonus issue were ₹ 291.32 Lakh and our securities premium before the bonus issue were ₹ 440.92 Lakh and immediately after the bonus issue were ₹ Nil Lakh.

We hereby clarify that the issuer company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Prospectus.

- 5) Preferential Allotment of 6,66,666 Equity Shares of face value Rs. 10/- each at 10.06.2024 issued at Rs. 15/. The details of which is given below:

S. No.	Name of Person	No. of Shares Allotted
1.	SN Enterprises	6,66,666
	Total	6,66,666

2. Preference Share capital history of our Company

Our Company does not have any preference share capital as on the date of this Draft Prospectus.

3. Our Promoter, Promoter Group, Directors of our Company and their relatives have not undertaken purchase or sale transactions in the Equity Shares of our Company, during a period of six (06) months preceding the date on which this Draft Prospectus is filed with Stock Exchange.

4. If shares have been issued in terms of any scheme approved under section 391-394 of the Companies Act, 1956 or section 230-234 of the Companies Act, 2013:

As of date of this Draft Prospectus, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013.

5. If shares have been issued under one or more employee stock option schemes:

Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.

6. Issue of Equity Shares in the last one year below the Issue Price:

Except in case of preferential allotment and bonus issue we have not issued any shares at a price lower than the issue price during the preceding one year from the date of this draft prospectus.

7. Our shareholding pattern

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

Category Code	Category of shareholder	No. of share holder	No. of fully paid up Shares Held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (unrealized as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Under lying Outstanding	Shareholding as a % assuming full conversion of convertible securities (including Warrants)	No. of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form	
								No. of Voting Rights						Total as a % of (A+B+C)	No. (a)	As a % of total shares held (B)	No. (a)		As a % of total shares held (B)
								Class X	Class Y	Total									
I	II	III	IV	V	VI	VII= IV+V+VI	VIII	IX			X	XI=VII+X	XII	XIII		XIV			
(A)	Promoters and Promoter Group	4	97,98,280	-	-	97,98,280	93.62	97,98,280	-	97,98,280	93.62	-	93.62	-	-	-	-	97,98,280	
(B)	Public	4	6,67,266	-	-	6,67,266	6.38	6,67,266	-	6,67,266	6.38	-	6.38	-	-	-	-	6,67,266	
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	8	104,65,546	-	-	104,65,546	100	104,65,546	-	104,65,546	100	-	100.00	-	-	-	-	104,65,546	

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

Note:

In terms of SEBI circular bearing No. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/CIR/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. Presently, all the existing equity shares of the Company are in dematerialized form.

PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE Emerge before commencement of trading of such Equity Shares.

The complete shareholding pattern shall be provided at the time of listing of the equity shares.

8. Other details of shareholding of our Company:

- a. Particulars of the shareholders holding 1% or more of the paid-up share capital of our Company aggregating to 80% or more of the paid-up share capital and the number of shares held by them as on the date of filing of this Draft Prospectus:

Sr. No.	Particulars	No. of Equity Shares of face value of ₹ 10 each	% of Shares to Pre – Issue Equity Share Capital
1.	Girdhari Lal Prajapat	14,11,800	13.49
2.	Dabhi Vipul Gobarbhai	12,69,880	12.13
3.	Prajapati Hetalben Girdharilal	71,16,400	68.00
4.	SN Enterprises	6,66,666	6.37
	Total	1,04,64,746	99.99

- b. Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them ten (10) days prior to the date of filing of this Draft Prospectus:

Sr. No.	Particulars	No. of Equity Shares of face value of ₹ 10 each	% of Shares to Pre – Issue Equity Share Capital
1.	Girdhari Lal Prajapat	14,11,800	13.49
2.	Dabhi Vipul Gobarbhai	12,69,880	12.13
3.	Prajapati Hetalben Girdharilal	71,16,400	68.00
4.	SN Enterprises	6,66,666	6.37
	Total	1,04,64,746	99.99

- c. Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them one (01) year prior to filing of this Draft Prospectus:

Sr. No.	Particulars	No. of Equity Shares of face value of ₹ 10 each	% of Shares to Pre – Issue Equity Share Capital
1.	Ms. Nishakumari Vicky Agrawal	100	01%
2.	Ms. Dabhi dharmishtaben V	100	01%
3.	Mr. Vishnu Kumar	100	01%
4.	Mr. Vicky Mahadev Agrawal	100	01%
5.	Mr. Dabhi Vipul Gobarbhai	100	01%
6.	Ms. Prajapati Hetalben Girdharilal	9,400	94%
7.	Mr. Girdhari lal Prajapat	100	01%
	Total	10,000	100%

- d. Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them since incorporation till prior to filing of this Draft Prospectus:

Sr. No.	Particulars	No. of Equity Shares of face value of ₹ 10 each	% of Shares to Pre – Issue Equity Share Capital
1.	Ms. Nishakumari Vicky Agrawal	100	01%
2.	Ms. Dabhi dharmishtaben V	100	01%
3.	Mr. Vishnu Kumar	100	01%
4.	Mr. Vicky Mahadev Agrawal	100	01%
5.	Mr. Dabhi Vipul Gobarbhai	100	01%
6.	Ms. Prajapati Hetalben Girdharilal	9,400	94%
7.	Mr. Girdharilal Prajapat	100	01%
	Total	10,000	100%

- e. None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of the Draft Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.

- f. Our Company has not made any initial public offer of its Equity Shares or any convertible securities since incorporation till the date of this Draft Prospectus.
- g. Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

9. Equity shares issued for consideration other than cash:

As on the date of this draft prospectus, Our Company has not issued Equity shares for consideration other than cash except as mentioned below:

S.No	Name of Allottes	Date of Allotment	Source out of which bonus shares issued	Nature of Allotment	Consideration	Number of shares allotted
1	Ms. Prajapati Hetalben Gridharilal	April 12, 2024	Reserve & Surplus	Bonus Issue in the ratio of one (1) new equity shares for every one (1) Equity Shares	Other than cash	35,58,200
2	Mr. Girdharilal Prajapat					7,05,900
3	Mr. Dabhi Vipul Gobarbhai					6,34,940
4	Ms. Nishakumari Vicky Agrawal					100
5	Mr. Agrawal Vicky Mahadev					100
6	Mr. Vishnu Kumar					100
7	Ms.Dabhi Dharmishtaben V					100
	Total					48,99,440

S.No	Name of Allottes	Date of Allotment	Detail of Consideration	Nature of Allotment	Consideration	Number of shares allotted
1.	Ms. Prajapati Hetalben Girdharilal	December 30, 2023	Slump Sale	Preferential Allotment	Other than cash	19,50,000

10. Shareholding of our Promoter

Set forth below are the details of the build-up of shareholding of our Promoter:

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares of face value of ₹ 10 each	F.V (in Rs.)	Issue / Transfer Price (in Rs.)	% of shares to pre-issue equity share capital	% of Post-Issue Equity Paid Up Capital
<i>Girdhari Lal Prajapat</i>							
On Incorporation*	Subscriber to MOA	Cash	100	10	NA	0.00	0.00
20.03.2024	Loan Conversion	Cash	7,05,800	10	25	6.74	4.97
12.04.2024	Bonus Issue	Other than cash	7,05,900	10	1:1	6.74	4.97
			14,11,800			13.49	9.94
Total							
<i>Dabhi Vipul Gobarbhai</i>							
On	Subscriber to	Cash	100	10	10	0.00	0.00

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares of face value of ₹ 10 each	F.V (in Rs.)	Issue / Transfer Price (in Rs.)	% of shares to pre-issue equity share capital	% of Post-Issue Equity Paid Up Capital
Incorporation*	MOA						
20.03.2024	Loan Conversion	Cash	6,34,840	10	25	6.07	4.47
12.04.2024	Bonus Issue	Other than cash	6,34,940	10	1:1	6.07	4.47
Total			12,69,880			12.13	8.94
Prajapati Hetalben Girdharilal							
On Incorporation*	Subscriber to MOA	Cash	9,400	10	10	0.09	0.07
30.12.2023	Preferential Allotment (Slump Sale)	Other than Cash	19,50,000	10	10	18.63	13.72
20.03.2024	Loan Conversion	Cash	15,98,800	10	25	15.28	11.25
12.04.2024	Bonus Issue	Other than cash	35,58,200	10	1:1	34.00	25.04
Total			71,16,400			68.00	50.08

11. As on the date of the Draft Prospectus, the Company has eight (08) members/shareholders.

12. Following are the details of the holding of securities of persons belonging to the category “Promoter and Promoter Group” after the Issue:

Sr. No.	Name of the Shareholders	Pre-Issue		Post – Issue	
		Number of Equity Shares of face value of ₹ 10 each	% of Pre-Issue Equity Share Capital	Number of Equity Shares of face value of ₹ 10 each	% of Post-Issue Equity Share Capital
Promoters					
1.	Girdhari Lal Prajapat	14,11,800	13.49%	14,11,800	9.94%
2.	Dabhi Vipul Gobarbhai	12,69,880	12.13%	12,69,880	8.94%
3.	Prajapati Hetalben Girdharilal	71,16,400	68.00%	71,16,400	50.08%
Promoter Group					
4.	Dabhi dharmishtaben V	200	0.002%	200	0.001%
Total		97,98,280	93.62%	97,98,280	68.96%

13. There are no financing arrangements wherein the Promoter, 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 (06) months immediately preceding the date of filing of the Draft Prospectus.

14. Promoters’ Contribution and other Lock-In details:

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20.00% of the fully diluted post-Issue capital of our Company held by the Promoter shall be locked in for a period of three years from the date of Allotment (“**Minimum Promoters’ Contribution**”), and the Promoters’ shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

The lock-in of the Minimum Promoter’s Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock exchange before the listing of the Equity Shares.

Following are the details of Minimum Promoters' Contribution:

Number of Equity Shares locked-in ^{*(1)(2)(3)}	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Issue Acquisition / Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post-Issue paid-up capital	Period of lock-in
<i>Girdharilal Prajapat</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
TOTAL	[•]					[•]	
<i>Dabhi Vipul Gobarbhai</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
TOTAL	[•]					[•]	
<i>Prajapati Hetalben Girdharilal</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
TOTAL	[•]						

* Subject to finalisation of Basis of Allotment.

(1) For a period of three years from the date of allotment.

(2) All Equity Shares have been fully paid-up at the time of allotment.

(3) All Equity Shares held by our Promoter are in dematerialized form.

For details on the build-up of the Equity Share capital held by our Promoter, see "Shareholding of our Promoters" on page 71.

The Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from persons defined as 'promoter' under the SEBI (ICDR) Regulations.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI (ICDR) Regulations. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares which are being locked-in do not, and shall 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
- Equity Shares resulting from bonus issue by utilization of revaluations reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for minimum promoters' contribution;
- Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- Equity Shares issued to the Promoter upon conversion of a partnership firm;
- Equity Shares held by the Promoter that are subject to any pledge; and

We further confirm that our Promoters Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.

Our Company has not been formed by the conversion of a partnership firm into a company in the past one year and thus, no Equity Shares have been issued to our Promoter upon conversion of a partnership firm in the past one year.

On July 02, 2023, Medistep Healthcare Limited acquired the entire operational business of M/s MG Pharma including its Asset and Liabilities as a going concern. The proprietorship was solely owned by the promoter, Ms. Prajapati Hetalben Girdharilal.

All the Equity Shares held by the Promoter and the members of the Promoter Group are held in dematerialized form.

In terms of undertaking executed by our Promoter, Equity Shares forming part of Promoters' Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoter during the period starting from the date of filing of this Draft Prospectus till the date of commencement of lock in period as stated in this Draft Prospectus.

Other than the Equity Shares locked-in as Promoters' Contribution for a period of three years as stated in the table above, the entire pre-Issue capital of our Company, including the excess of minimum Promoters' Contribution, as per Regulation 238 of the SEBI (ICDR) Regulations, shall be locked in for a period of one year from the date of Allotment of Equity Shares in the Issue. Such lock – in of the Equity Shares would be created as per the bye laws of the Depositories.

Inscription or recording of non-transferability

In terms of Regulation 241 of the SEBI ICDR Regulations, 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.

Other requirements in respect of ‘lock-in’

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoter prior to the Issue may be Transfer to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoter which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, may be Transfer to and amongst Promoter / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

In terms of Regulation 242(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoter which are locked-in for a period of one year from the date of allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

15. Our Company, our Promoter, our Directors and the Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
16. The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
17. There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Prospectus.
18. No person connected with the Issue, including, but not limited to, our Company, , or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
19. Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Prospectus.
20. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

21. Our Company shall ensure that any transactions in Equity Shares by our Promoter and the Promoter Group during the period between the date of filing the Draft Prospectus and the date of closure of the Issue, shall be reported to the Stock Exchanges within 24 hours of the transaction.
22. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus.
23. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the 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.
24. As on date of the Draft Prospectus, the Lead Managers to the Issue, namely Fast Track Finsec Private Limited is not related to the public shareholders of the Company in any way directly or indirectly including any related party transactions, etc. and/or are connected with the Company in any manner directly or indirectly other than in the capacity as the Lead Manager.
25. Our Promoter and the members of our Promoter Group will not participate in the Issue.
26. Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel:

S.No	Name of the shareholder	Pre-Issue		Post-Issue	
		Number of Equity Shares of	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of PostIssue Equity Share Capital
1.	Girdhari Lal Prajapat	14,11,800	13.49%	14,11,800	9.94%
2.	Dabhi Vipul Gobarbhai	12,69,880	12.13%	12,69,880	8.94%
3.	Prajapati Hetalben Girdharilal	71,16,400	68.00%	71,16,400	50.08%
	Total	97,98,080	93.622%	97,98,080	68.96%

27. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
28. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “Issue Procedure” beginning on page 283 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
29. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
30. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter 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.
31. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
32. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.

33. As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.

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OBJECT OF THE OFFER

The offer comprises a fresh issue of Equity Shares aggregating up to 37,44,000 by our Company. Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the Emerge Platform of National Stock Exchange of India Limited.

The objects of the Issue are: -

1. To meet out the capital expenditure for purchasing new plant and machineries for expansion at the existing manufacturing facility;
2. To meet out the Working Capital requirements of the Company;
3. To meet out the General Corporate Purposes; and
4. To meet out the Issue Expenses.

(Collectively referred to herein as the “Objects”)

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

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

FRESH ISSUE PROCEEDS

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

Particulars	Amount*
Gross Proceeds from the Fresh Issue	[●]
Less: Issue Expenses	[●]
Net Proceeds from the Fresh Issue (“Net Proceeds”)	[●]

* To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

PROPOSED UTILIZATION OF NET PROCEEDS

The Net Proceeds are proposed to be used in the manner set out in in the following table:

(Amount in Rs. Lakhs)

S. No.	Particulars	Estimated Amount	% of Gross Proceeds*	% of Net Proceeds*
1.	Funding of capital expenditure towards purchase of plant and machineries for expansion at the existing manufacturing facility	50.75	[●]	[●]
2.	Working Capital requirements	1234.17	[●]	[●]
3.	General Corporate Purpose ⁽¹⁾⁽²⁾	[●]	[●]	[●]

⁽¹⁾ To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

⁽²⁾ The amount to be utilized for the general corporate purpose shall not exceed 15% of the Net Proceeds.

SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF NET PROCEEDS

Our company proposes to deploy Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(Amount in Rs. Lakhs)

S. No	Particulars	Amount proposed to be funded from the Net Proceeds	Estimated deployment in
			FY 2025-26
1.	Funding of capital expenditure towards purchase of plant and machineries for expansion at the existing manufacturing facility	50.75	[●]
2.	Working Capital requirements	1234.17	[●]
3.	General Corporate Purpose ⁽¹⁾⁽²⁾	[●]	[●]
	Total	[●]	[●]

⁽¹⁾ To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

⁽²⁾ The amount to be utilized for the general corporate purpose shall not exceed 15% of the Net Proceeds.

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

The requirements of the objects detailed above are intended to be funded from the proceeds of the Issue. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below.

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt. We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.

Details of Utilization of Issue Proceeds

1. FUNDING OF CAPITAL EXPENDITURE TOWARDS PURCHASE OF PLANT AND MACHINERIES FOR EXPANSION AT THE EXISTING MANUFACTURING FACILITY FOR MANUFACTURING OF PROTEIN POWDER AND MULTIVITAMIN TABLETS

As a part of our strategy to enhance market position with focus on additional capacity for manufacturing of protein powder and multivitamin tablets along with existing manufacturing of sanitary pad and energy powder, we intend to utilize up to Rs. 50.75 Lakhs towards purchase of machinery and construction of shed at our existing manufacturing facility located in, Gujarat in order to widen the range of products manufactured and capture market share.

Relating to government approval, we understand that our company already possesses the relevant government approval. We hold a Food Safety and Standards Authority of India License, Form C, issued on December 27, 2023, and renewed on December 24, 2024 by the Central Licensing Authority. This license is required for the manufacturing of new products. For further details, kindly refer to the chapter titled, "Government and Statutory Approvals" on page 257 of this Draft Prospectus.

Our Company proposes to acquire plant and machineries at an estimated cost of ₹ 33.75 Lakhs and estimated cost for construction of shed of ₹ 17 Lakhs. Our Company has identified the type of plant and machinery to be purchased for the manufacturing unit and obtained quotations from vendors but we are yet to place order for 100% of the machinery. The detailed list of plant & machinery and electrical to be acquired by our Company is provided below:

Machine/System	Description/ Technical Specification	Quantity	Cost per unit (In ₹) (In lakhs)	Total Cost Including GST	Name of Vendor	Date of Quotation	Validity
Rapid Mixer Granulator	For uniform mixing and granulation process	1	6.40 Lakh	7.55 Lakh	Venus Machinery	23-11-2024	180 days
Fluid Bed Dryer	Use to dry powder of granules of granulation	1	8.15 Lakh	9.62 Lakh	Venus Machinery	23-11-2024	180 days
Conventional Coating	Use for applying a thin layer of material (coating) to coat tablets	1	3.45 Lakh	4.07 Lakh	Venus Machinery	23-11-2024	180 days
Multi Mill	Used for reducing particle size, grinding, and mixing ingredients to achieve the desired consistency and uniformity.	1	1.35 Lakh	1.59 Lakh	Venus Machinery	23-11-2024	180 days

Semiautomatic Blister Packing Machine	packaging equipment used to package products in blister packs	1	4.80 Lakh	5.66 Lakh	Venus Machinery	23-11-2024	180 days
Strip packing machine	are widely used to package tablets and capsules in strip packs	1	5.80 Lakh	6.84 Lakh	Venus Machinery	23-11-2024	180 days
Octagonal Blender	used primarily for blending and mixing dry powders, granules	1	2.25 Lakh	2.66 Lakh	Venus Machinery	23-11-2024	180 days
Strapping Machine	It commonly used to secure cartons, boxes, or pallets for shipment.	1	0.35 Lakh	0.41 Lakh	TJB Industries	25-12-2024	3 months
Single Head Inject Print (Printing machine)	used for direct printing on a variety of surfaces, including products, packaging, and materials. (print text, barcodes, QR codes, logos, expiration dates, and other variable information in real-time during the production or packaging process).	1	1.20 Lakh	1.42 Lakh	TJB Industries	25-12-2024	3 months
Building Shed		1	17.00 Lakh		Neelkanth Group		

In relation to the purchase of machinery as set out above, we have not entered into any definitive agreements with vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machinery or at the same costs. The quantity of machinery to be purchased will be based on management estimates and our business requirements. Our Company shall have the flexibility to deploy such machinery according to the business requirements of our Company and based on estimates of our management.

The list of machinery items provided is based on the current estimates & there can be variations in the cost at the actual ordering of the machines. Apart from this there can be variations in the nature of machines depending upon the business requirements at the time actual procurement. As a result, the list of machines may undergo change. Hence there can addition of new machines or deletion from existing list.

No second-hand or used machinery is proposed to be purchased out of the Net Proceeds. Each of the units of machinery mentioned above is proposed to be acquired in a ready-to-use condition, post installation and commissioning requirement. Further, the Promoters, Directors, Key Managerial Personnel and the Group Company do not have any interest in the proposed acquisition of the machinery or in the entity from which we have obtained quotations in relation to such proposed acquisition of the machinery and our Company has confirmed that such entities do not form part of our Promoter Group or Group Company.

Means of finance for purchase of equipment, plant and machinery

The fund requirements for purchase of equipment, plant and machinery for our manufacturing facilities at Bareja, Kheda, Gujarat are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance under Regulation 230(1)(e) the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue or through existing identifiable internal accruals.

2. Working Capital Requirement

The details of the company's working capital as at March 31 2022, March 31 2023, 2 July 2023, March 31, 2024, June 30 2024 and the source of funding, derived from the Restated Financial Statements are given below:

(Amount in Lakhs)

STATEMENT OF WORKING CAPITAL REQUIREMENT					
	March 31, 2022	March 31, 2023	July 02, 2023	March 31, 2024	June 30, 2024
	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)
Current Assets					
Inventories	40.25	50.45	92.40	92.88	54.08
Current Investment	-	-	-	-	-
Trade Receivables	572.63	1,398.25	1,051.34	1,375.09	2,324.51
Short-term Loans and Advances	41.09	-	-	0.55	0.65
Other Current Assets	3.47	1.61	-	9.89	4.56
Cash and Cash Equivalents	3.10	12.43	3.41	0.97	2.61
Total (A)	660.54	1,462.74	1,147.15	1,479.37	2,386.41
Current Liabilities					
Short term borrowings	23.43	27.11	22.71	25.38	21.38
Trade Payables	541.18	1,264.07	916.34	140.95	795.95
Other Current Liabilities	23.24	3.47	0.69	2.13	5.16
Short-Term Provisions	6.43	37.72	51.66	150.23	184.87
Total (B)	594.28	1,332.37	991.40	318.70	1,007.36
Net Working Capital (A)-(B)	66.26	130.37	155.75	1,160.67	1,379.05
Funding pattern:					
Proceeds from IPO	-	-	-	-	-
Internal Accruals/Net Worth	66.26	130.37	155.75	1160.67	1379.05

The details of the Company's estimated working capital as at March 31, 2025 and March 31, 2026 and proposed funding of working capital requirements are given below:

(Amount in Lakhs)

	March 31, 2025	March 31, 2026
	(Estimated)	(Estimated)
<i>Current Assets</i>		
Inventories	188.59	528.05
Current Investment	-	-
Trade Receivables	1,976.21	2,711.05
Short-term Loans and Advances	1.00	1.00
Other Current Assets	8.40	479.29
Cash and Cash Equivalents	2.14	32.44
Total (A)	2,176.34	3,751.83
<i>Current Liabilities</i>		
Short term borrowings	0.69	-
Trade Payables	377.18	352.03
Other Current Liabilities	1.00	1.50
Short-Term Provisions	135.53	233.50
Total (B)	514.40	587.03
<i>Net Working Capital (A)-(B)</i>	1,661.94	3,164.80
<i>Incremental working capital</i>	501.27	1,502.86
Funding pattern:		
Proceeds from IPO	-	1,234.17
Internal Accruals/Net Worth	501.27	268.69

Sources of Internal Accruals estimated by our Company to meet Rs. 269 Lakhs in FY 25-26 gap:

As on June 30, 2024, company has Rs. 324.66 Lakh in its reserves which will increase by the end of FY 2024-25 due to profit earned during the year.

	March 31, 2022	March 31, 2023	July 02, 2023	March 31, 2024	June 30, 2024	March 31, 2025	March 31, 2026
Inventory	40.25	50.45	92.40	92.88	54.08	188.59	528.05
Trade Receivables	572.63	1,398.25	1,051.34	1,375.09	2,324.51	1,976.21	2,711.05
Trade Payable	541.18	1,264.07	916.34	140.95	795.95	377.18	352.03
Net Working Capital	66.26	130.37	155.75	1,160.67	1,379.05	1,661.94	3,164.80
% of Inventory / Revenue from operations*	5.28%	1.82%	3.10%	2.38%	1.20%	3.58%	7.15%
% of Trade receivables/ Revenue from operations*	75.10%	50.58%	35.25%	35.19%	51.65%	37.47%	36.71%
% of Trade Payable / Revenue from operations*	70.98%	45.72%	30.72%	3.61%	17.69%	7.15%	4.77%

Note:

1. 365 days has been considered in a year
2. Holding period level (in days) of Trade Receivables is calculated by dividing average trade receivables by revenue from operations multiplied by number of days in a year.
3. Holding period level (in days) of Trade payables is calculated by dividing average trade payables by purchases multiplied by number of days in a year.
4. Holding period level (in days) of inventories is calculated by dividing average inventories by cost of goods sold multiplied by number of days in a year.

*% has been annualised for the period ended 2 July 2023, 31 March 2024 and 30 June 2024

(In Days)

Particulars	31-Mar-22	31-Mar-23	02-Jul-23	31-Mar-24*	30-Jun-24	31-Mar-25	31-Mar-26
	(Restated)	(Restated)	(Restated)	(Restated)*	(Restated)	(Estimated)	(Estimated)
No. of Days for Trade Payables	151	126	140	72	46	20	20
No. of Days for Trade Receivables	143	130	153	130	150	116	116
No. of Days for Inventory Days	16	6	10	8	7	11	20
Working capital cycle days	8	11	22	65	110	107	116

*It is calculated for the full FY.

Basis of Estimation

The Company is primarily engaged in the business of manufacturing Sanitary pads, Energy powder and trading a diverse range of pharmaceutical products. The Company's business is highly working capital intensive and it funds a majority of its working capital requirement through internal accruals. The major working capital are required for monthly payment of material purchased, selling, general, administration and other variable overheads etc. and Trade Receivable as the money gets blocked in them due to more credit period offer to them for increase in Business. The Company's projected revenue from operations to be increased by approximately 35% in FY 2024-25. In FY 2023-24, the incremental working capital requirement on restated basis was ₹ 1,030.30 Lakhs and the same was sourced from business operations and unsecured loan taken from Directors/relatives which was converted into share capital during FY 23-24. As per the management's estimation, the incremental working capital requirement for FY 2024-25 is expected to be ₹ 501.27 Lakhs which will be financed through internal accruals, incremental working capital requirement for FY 2025-26 is expected to be ₹ 1,502.86 Lakhs which will be financed through internal accruals of ₹ 268.69 lakhs and proceeds from an IPO amounting to ₹ 1234.17 lakhs.

Company working capital requirement is increased from FY 2021-22 onwards because company started offering more credit period to its customer to increase profit margin that is increased from 2.49% in FY 21-22 to 9.08% in the stub period ended June 30, 2024 and trade payable days is decreased from 2021-22 onwards on year-to-year basis because company will get raw material on discounted price.

As the company's operations and scale are expected to grow steadily, this will likely result in increased revenue from core business activities. Consequently, a larger proportion of funds will be allocated to trade receivables and inventories, further increasing working capital needs in the coming years.

Justification:

Trade Payable Days

Trade payables refer to the amounts a company owes to its suppliers for goods or services received on credit, representing trade payables. They typically arise from routine business activities, such as purchasing raw materials, inventory and other services, with the agreement to pay later.

Past trend of trade payable has been between the ranges of 46 to 151 days in the last financial years/ stub period. However, the company intends to reduce trade payable in the range of 20 days which is in line with the holding period for financial year 2024-25 and has been projected within the range of 18- 20.

As of the end of the FY 2023-24, the company's trade payables have consistently decreased compared to FY 2022-23. A significant factor in the decrease of trade payables was the payment made to creditors out of short-term borrowing, which was converted into share capital.

As company has acquired sole proprietor during FY 2023-24, before this sole proprietor usually delayed the payments for trade payables to facilitate better liquidity and facilitate revenue from operations. As trade receivables were realized between 130-155 days during that time. This made early payments to trade payables difficult.

The company expects to settle its trade payables within a limited timeframe due to better liquidity of the company. It anticipates cash discounts on timely payments. This is expected to lead to a decline in trade payables in FY 2024-25 and 2025-26.

Trade Receivable Days

Trade receivable consist of debt owned by debtors mainly distributors. Trade receivables holding period have been reduced from 143 days in financial year 2021-22 to 130 days in FY 2023-24.

In FY 2023-24, our trade receivables remained at normal levels. However, during the stub period ending 30 June 2024, there was a noticeable increase in trade receivables compared to previous years. This increase is primarily due to the company starting manufacturing in the last quarter of FY 2023-

	<p>24. During the initial period of manufacturing, the company extended a longer credit period to its customers, resulting in a higher trade receivable holding period of 150 days. This was also accompanied by an 15.18% growth in annualized Revenue from Operations compared to FY 2023-24.</p> <p>The company expect better recovery of accruals in financial year 2025 and 2026 thus, Trade receivable is in line with the holding period for financial year 2024-25 and 2025-26 has been projected within range of 116 days.</p> <p>Total trade receivables are expected to increase in line with business volumes and projected business activity in the financial year 2024-25 and 2025-26.</p>
Inventory	<p>Inventory refers to the raw materials, stock in trade, and finished goods that a company holds for trading and production purposes. Between the FY 2022-23 and stub period 30 June 2024, the Company has maintained inventory holding period within the range 6 to 10 days. To ensure smooth operations, the company must maintain a minimum level of inventory.</p> <p>The Company has estimated inventory holding period for financial year 2024-25 in line with the holding period for financial year 2023-24 and holding period of 20 days projected for FY 2025-26. FY 2025-26 is the 1st full financial year, in which company is engaged in manufacturing. This indicates that inventory of finished goods and work in progress is increased along with stock in trade. Resulting in increase in inventory days.</p>
Other Current Liabilities	<p>The category of "Other current liabilities" primarily includes items such as payable for employee benefits, payables for statutory and other authorities, advance from customers, and other similar obligations, other current liabilities have been maintained in line with the increase of projected business income/ expenses for the forthcoming years.</p>
Short term Borrowings	<p>Short term borrowing comprises current maturity of long term borrowing. Short term Borrowings was decreased in FY 2024-25 as compared to stub period due to repayment of borrowings, as company anticipated to decrease its finance cost.</p>
Short term provisions	<p>Short term provisions primarily include provision for Gratuity and provision for taxation. Short term provisions have been maintained in line with the increase of projected business income/expenses for the forthcoming years.</p>
Short-term Loans and Advances	<p>Short term loan and advances include security deposit.</p>
Other Current Assets	<p>Other current assets include, advance to supplier and balance with govt. authorities including advance taxes. Entity has projected to pay advance tax approximate 95% of its tax liability in the same financial year. Increase in the estimated payment of advance tax and advance payment to suppliers with the anticipated growth in business volume and projected business activity in financial year 2024-25 and 2025-26.</p>
Working Capital Cycle	<p>Working Capital Cycle in the FY 2021-22, 2022-23, 2023-24 and for the period ended June 30, 2024 was 8, 11, 65, 110 days respectively. And now we are estimating working capital cycle to be 107 and 116 days in year 2024-25 and 2025-26.</p> <p>Justification for such an increase are as follows:</p> <ol style="list-style-type: none"> a. Company will reduce trade payables in the FY 2024-25 and maintain same level in FY 25-26 for increasing its profit margin by taking early

payment discount.

- b. Inventory days are expected to increase and that will impact working capital cycles. Inventory will increase in FY 25-26 as company will expand its manufacturing facility as compared to previous financial years.

In the financial year 2023-24, company had high level of Trade Payable and low Inventory days and due to that working capital cycle was low in days. Whereas, now company is expecting to reduce Trade payables days and on the other hand inventory days will increase, hence increased working capital cycle in FY2025-26 as compared to previous years.

Net Working Capital

Net working capital is the difference between a company's current assets and current liabilities, representing the funds available for day-to-day operations. It is a crucial indicator of a business's short-term financial health and liquidity. One significant factor influencing working capital requirements is the size and scale of the business, as increased sales volume directly impacts these needs. Net Working Capital is slightly increase as per the revenue, however it is high in FY 25-26 mainly due to the IPO fund received which will be utilize in the same year.

For FY 2025-26, the company projects incremental working capital requirement of Rs. 1,502.86 lacs, which will be financed through internal accruals of ₹ 268.69 lakhs and proceeds from an IPO amounting to Rs. 1234.17 lacs.

The Company will estimate Cash Profit of around ₹ 7.00 crores in FY 2025-26 crores, the same can be utilized to meet the required gap of internal Accruals of Rs. 2.69 crores.

Note:- Certificate dated 13.12.2024 issued by the Statutory Auditors of our Company, M/s Kapish Jain & Associates, Chartered Accountants certify the working capital requirement.

3. General Corporate Purpose

Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹ [●] Lakhs, towards general corporate purposes as approved by our management from time to time, subject to such utilization not exceeding 15% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include, without limitation, business development initiatives, design and development, meeting any expense including salaries and wages, rent, administration costs, insurance premiums, repairs and maintenance, payment of taxes and duties, inorganic opportunities and similar other expenses incurred in the ordinary course of our business any of the other Objects, payment of liabilities, capital expenditure or towards any exigencies. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law.

In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

4. Issue Related Expenses

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

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

**To be finalized upon determination of the Issue Price.*

Our Company has incurred Rs. 10 Lakhs towards Issue expenses out of internal resources up to October 12, 2024. The same has been certified by Statutory Auditors of the company, M/s Kapish Jain & Associates, Chartered Accountants vide their certificate dated December 02, 2024 vide UDIN: 24514162BKBIBB8291.

APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution.

INTERIM USE OF FUNDS

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies.

MONITORING UTILIZATION OF FUNDS

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

companies promoted by the Promoter, except as may be required in the usual course of business.

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, SEBI regulation and other applicable rules as the case may be, 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 through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the Postal Ballot Notice) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

No part of the issue proceeds will be paid as consideration to promoters, directors, key managerial personnel, associates or group companies except in the normal course of business and as disclosed in the sections titled. Our Promoters & Promoters Group and Our Management as mentioned on page nos. **184** and **170** of this Draft Prospectus.

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BASIS FOR OFFER PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information of the Company**” beginning on page 27, 127 and 196 respectively of the Draft Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

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

For the purpose of making an informed investment decision, the investors should also refer “**Risk Factors**”, “**Our Business**” and “**Financial Statement as restated**” beginning on page 27, 127 and 196 respectively of this Draft Prospectus.

QUALITATIVE FACTORS

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

- (a) Experienced Promoters and Senior Management with extensive domain knowledge
- (b) Quality assurance and control
- (c) Market Potential
- (d) Investment in latest technology and maintain our edge in the market.

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 127 of this Draft Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “Financial Information of the Company” on page 196 of this Draft Prospectus

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

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

As per the Restated Financial Statements: -

Particular	Basic and Diluted EPS (in Rs.)
For the period 3rd July 2023 to 31st March 2024	19.96
For the period ended 30th June 2024	1.03

Notes:

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. The face value of each Equity Share is ₹10.00/-.
- iii. Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India. These figures are adjusted to reconcile the Impact of bonus issue, pursuant to Accounting Standard 20 “Earnings Per Share” issued by ICAI and for presenting comparable figures.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated

Financial Statements as appearing in Annexure IV.

- v. *Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of equity shares outstanding during the year / period.*
- vi. *Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of diluted potential equity shares outstanding during the year/ period.*

2. Price Earning (P/E) Ratio in relation to the Issue Price of Rs. [●] per Equity Share

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

Note: To be updated at the time of Filing of Prospectus.

3. Industry P/E ratio

Particulars	P/E ratio
Highest	126.3
Lowest	17.9
Industry Average	76.3

**Source: Industry Peer Group P/E Ratio- Pharma Drugs- Capital Market Vol No. XXXIX/22/39SPLSPL22 December 09– December 22, 2024.*

4. Return on Net worth (RoNW)*

S. No	Period	RoNW (%)	Weights
1.	Financial Year 2023-2024*	28.46	3
2.	Financial Year 2022-2023	85.88	2
3.	Financial Year 2021-2022	57.29	1
	Weighted Average	52.41	
	For the period ended 30 th June 2024	7.45	

**Combined RONW figure from April 01, 2023 to July 02, 2023 and July 03, 2023 to March 31, 2024.*

Note:

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

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

S. No.	NAV per Equity Share	(In Rs.)
		Outstanding at the end of the year
1.	For the period 3 rd July 2023 to 31 st March 2024	80.11
2.	For the period ended 30 th June 2024	13.78
3.	NAV per Equity Share after the Issue	[●]
4.	Issue Price	[●]

Notes:

- NAV per share =Restated Net worth at the end of the year / weighted average number of equity shares outstanding at the end of the year/ period.*
- Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares.*
- Issue Price per Equity Share will be determined by our Company in consultation with the Lead Manager.*

4. These figures are adjusted to reconcile the Impact of bonus issue dated April 12, 2024, for presenting comparable figures.

6. Comparison of Accounting Ratios with Listed Industry Peers:

We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates, whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

	Name of the Company	Face Value (Per Share)	CMP	EPS	P/E Ratio	RONW(%)	NAV (Rs. Per share)	PAT (Rs. in Lakh)
1	Medistep Healthcare Limited	10	[●]	19.96	[●]	28.46%	80.11	332.75
2	Fabino Enterprises Limited	10	31.05	0.23	135	1.15	19.80	4.76
3	Achyut Healthcare Limited	1	3.43	0.34	10.08	2.53%	18.28	57.32

***Source:** The Company's Financial Figures are based on restated standalone audited financial statements for the 9 months period from July 03, 2023 to March 31, 2024 for EPS and NAV and the rest is based on figures of FY ending March 31, 2024 unless provided otherwise. With respect to Industry peers, all the financial information mentioned above is on a standalone basis and is sourced from the audited results of the respective companies for the year ended March 31, 2024 unless provided otherwise.

Notes for peer group:

a) P/E Ratio has been computed based on the closing market price of equity shares on BSE/NSE on December 26, 2024 divided by the Basic EPS as at March 31, 2024.

b) Return on Net Worth (%) = net profit after tax divided by Average net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus/Other Equity.

c) NAV is computed as NAV is computed as the closing net worth as on March 31, 2024 divided by the outstanding number of equity shares as on March 31, 2024.

d) CMP is taken as per 26 December, 2024.

7. Key Performance Indicator

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated November 27, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this DP. Further, the KPIs herein have been certified by our Statutory Auditors namely M/s Kapish Jain & Associates, Chartered Accountants, vide their certificate dated December 02, 2024 .

The KPIs of our Company have been disclosed in the sections titled **“Our Business”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators”** on pages 127 and 237 respectively. We have described and defined the KPIs, as applicable, in **“Definitions and Abbreviations”** on page 2 .

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

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a) **Key Performance Indicators of our Company**
(Standalone KPI indicators)

(Amount in lakh, except EPS, % and ratios)

Particulars	Period ended 30 June 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Revenue from operations (1)	1,125.07	3,161.51	745.68	2,764.68	762.44
Revenue CAGR (%) from F.Y. 2022-2024(2)		126.38%			
EBITDA(3)	138.77	395.61	58.59	133.91	35.76
EBITDA (%) Margin(4)	12.33%	12.51%	7.86%	4.84%	4.69%
EBITDA CAGR (%) from F.Y. 2022-2024(5)		57.44%			
EBIT(6)	138.16	394.62	58.40	136.37	29.61
ROCE (%) (7)	10.75%	59.10%	40.01%	109.62%	40.48%
Current ratio(8)	2.37	4.64	1.16	1.10	1.11
Operating cash flow(9)	(108.17)	(711.00)	14.66	44.16	(40.43)
PAT(10)	102.16	291.35	41.40	92.10	18.97
PAT Margin (11)	9.08%	9.22%	5.55%	3.33%	2.49%
Net Worth (12)	1,371.21	1,169.05	142.12	107.24	33.11
ROE/ RONW(13)	8.04%	44.44%	33.21%	131.24%	74.47%
EPS(14)	1.03	19.96	-	-	-

Notes:

(1) Revenue from operations is the revenue generated from operations by our Company.

(2) Revenue CAGR: The three-year compound annual growth rate in Revenue.

$[(\text{Ending Value}/\text{Beginning Value})^{(1/N)}]-1$

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

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

(5) EBITDA CAGR: The three-year compound annual growth rate in EBITDA.

$[(\text{Ending Value}/\text{Beginning Value})^{(1/N)}]-1$

(6) EBIT is Earnings before Finance Cost and taxes.

(7) ROCE: Return on Capital Employed is calculated as EBIT divided by average capital employed, which is defined as shareholders' equity plus long-term debt.

(8) Current Ratio: Current Asset over Current Liabilities

(9) Operating Cash Flow: Net cash inflow from operating activities

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

(11) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.

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

(13) ROE: Return on Equity is calculated as PAT divided by average shareholders' equity

(14) EPS: Earning per share is calculated as PAT divide by Weighted No. of equity shares.

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

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b) Comparison of KPI with listed industry peers

(Amount in Lakh)

Key Financial Performance	Medistep Healthcare Limited			Achyut Healthcare Limited			Fabino Enterprises Limited		
	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2021-22	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2021-22	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2021-22
Revenue from operation ⁽¹⁾	3,907.19	2,764.68	762.44	613.69	269.55	404.93	608.41	336.01	420.07
Growth in Revenue from operation ⁽²⁾	126.38%			23.11%			20.35%		
EBITDA ⁽³⁾	454.20	133.91	35.76	2.53	-27.41	-3.86	10.61755	2.52	8.87
EBITDA Margin ⁽⁴⁾	11.62%	4.84%	4.69%	0.41%	-10.17%	-0.95%	1.75%	0.75%	2.11%
EBIT ⁽⁵⁾	453.03	136.37	29.61	74.32	31.12	10.05	8.02	1.61	6.97
ROCE (%) ⁽⁶⁾	69.15%	109.62%	40.48%	2.00%	1.00%	1.00%	0.00%	0.00%	0.00%
Current ratio ⁽⁷⁾	4.64	1.10	1.11	106.64	12.68	9.13	2.05	10.73	10.64
Operating cash flow ⁽⁸⁾	(696.34)	44.16	(40.43)	(35.81)	(42.70)	(695.61)	(46.48)	(67.52)	(189.88)
PAT ⁽⁹⁾	332.76	92.10	18.97	57.32	23.12	4.03	4.76	1.08	1.70
PAT Margin ⁽¹⁰⁾	8.52%	3.33%	2.49%	9.34%	8.58%	1.00%	0.78%	0.32%	0.41%
Net Worth ⁽¹¹⁾	1,169.06	107.24	33.11	3075.09	1452.38	908.46	415.71	411.46	410.38
ROE/ RONW ⁽¹²⁾	52.14%	131.24%	74.47%	2.53%	1.96%	0.86%	1.15%	0.26%	1.74%
EPS ⁽¹³⁾	19.96	-	-	0.34	0.31	0.15	0.23	0.05	0.22

*All the information for **Achyut Healthcare Limited** mentioned above are on a standalone basis and is sourced from their respective audited financial results which uploaded on BSE website.

** All the information for **Fabino Enterprises Limited** mentioned above are on a Standalone basis and is sourced from their respective audited financial results uploaded on BSE website.

Notes:

(1) Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected companies

(2) Growth in Revenue from operations (%) is calculated as Revenue from operations of the relevant period minus Revenue from operations of the preceding period, divided by Revenue from operations of the preceding period

(3) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost

- (4) *EBITDA Margin' is calculated as EBITDA divided by Total income of the company.*
- (5) *EBIT is Earnings before Finance Cost and taxes*
- (6) *ROCE: Return on Capital Employed is calculated as EBIT divided by average capital employed, which is defined as shareholders' equity plus long-term debt.*
- (7) *Current Ratio: Current Asset over Current Liabilities*
- (8) *Operating Cash Flow: Net cash inflow from operating activities*
- (9) *PAT is the profit for the period from continuing operations*
- (10) *PAT Margin' is calculated as PAT for the period/year divided by Total Income*
- (11) *Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account*
- (12) *ROE: Return on Equity is calculated as PAT divided by average shareholders' equity*
- (13) *EPS: Earning per share is calculated as PAT divide by Weighted No. of equity shares.*

Weighted average cost of acquisition (“WACA”), offer price:

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

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

Date of Acquisition	No. of Share Acquired	Nature of Consideration	Price of Acquisition	Consideration paid (in Rs.)
30-Dec-2023	19,50,000	Slump Sale	10.00	1,95,00,000
20-Mar-24	29,39,440	Conversion of unsecured loan into equity	25.00	7,34,86,000
12-Apr-24	48,99,440	Bonus Issue	-	-
10-Jun-24	6,66,666	Cash	15.00	99,99,990
Total	1,04,55,546			10,29,85,990
Weighted average number of shares	83,49,289			
Weighted average cost of Acquisition*			12.33	

*Includes the impact of Bonus Issue.

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

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

c) Weighted average cost of acquisition, and offer price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Offer Price (i.e. Rs. [●]*)
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	12.33	[●]
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	Nil	-

* To be updated at Prospectus stage.

Explanation for Issue Price being [●] times price of face value.

The Issue Price of ₹ [●]/- has been determined by our Company, in consultation with the LM, on the basis of market demand from investors for Equity Shares and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information” on page

27,127,237 and 196 respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” on page 27 and you may lose all or part of your investment.

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STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,
The Board of Directors
Medistep Healthcare Limited
05, S. No-245/B, Plot-19, T.P.S. 56,
Free Way Trade Centre, Nr A-One Hotel,
N.H.-8, Narolgam, Narol, Ahmedabad, Daskroi
Gujarat – 382405

Dear Sir,

Sub: Statement of possible Special tax benefit ('the Statement') available to Medistep Healthcare Limited" (hereinafter referred to as "the Company" or "the Issuer") and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')

We hereby confirm that the enclosed annexure, prepared by "MEDISTEP HEALTHCARE LIMITED" ("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 time to time, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, the Customs Act, 1962 and the Foreign Trade Policy 2015-2020, as amended by the Finance Act, 2023, i.e., applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25, presently in force in India for inclusion in the Draft Prospectus ("DP") / Prospectus for the proposed public offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations").

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

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

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

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

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

- The revenue authorities/courts will concur with the views expressed herein.

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

Limitations

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

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

Signed in terms of our separate report of even date.

For Kapish Jain & Associates,

Chartered Accountants,
Firm Regd No: 022743N

Sd/-

Kapish Jain

Partner

Membership No: 514162

UDIN: 24514162BKBIAS1081

Date: 27th November 2024

Place: New Delhi

Annexure to the statement of possible Tax Benefits

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

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

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

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

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

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

Notes:

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

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

Signed in terms of our separate report of even date.

For Kapish Jain & Associates,
Chartered Accountants,
Firm Registration No: 022743N

Sd/-

Kapish Jain
Partner
Membership No: 514162
UDIN: 24514162BKBIAS1081
Date: 27th November 2024
Place: New Delhi

SECTION V - ABOUT THE COMPANY

INDUSTRY OVERVIEW

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

Global Economic Outlook

Global growth is expected to remain stable yet underwhelming. At 3.2 percent in 2024 and 2025, the growth projection is virtually unchanged. However, notable revisions have taken place beneath the surface, with upgrades to the forecast for the United States offsetting downgrades to those for other advanced economies—in particular, the largest European countries. Likewise, in emerging market and developing economies, disruptions to production and shipping of commodities—especially oil—conflicts, civil unrest, and extreme weather events have led to downward revisions to the outlook for the Middle East and Central Asia and that for sub-Saharan Africa. These have been compensated for by upgrades to the forecast for emerging Asia, where surging demand for semiconductors and electronics, driven by significant investments in artificial intelligence, has bolstered growth. The latest forecast for global growth five years from now—at 3.1 percent—remains mediocre compared with the pre pandemic average. Persistent structural headwinds—such as population aging and weak productivity—are holding back potential growth in many economies.

Cyclical imbalances have eased since the beginning of the year, leading to a better alignment of economic activity with potential output in major economies. This adjustment is bringing inflation rates across countries closer together and on balance has contributed to lower global inflation. Global headline inflation is expected to fall from an annual average of 6.7 percent in 2023 to 5.8 percent in 2024 and 4.3 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. As global disinflation continues to progress, broadly in line with the baseline, bumps on the road to price stability are still possible. Goods prices have stabilized, but services price inflation remains elevated in many regions, pointing to the importance of understanding sectoral dynamics and of calibrating monetary policy accordingly.

Risks to the global outlook are tilted to the downside amid elevated policy uncertainty. Sudden eruptions in financial market volatility—as experienced in early August—could tighten financial conditions and weigh on investment and growth, especially in developing economies in which large near-term external financing needs may trigger capital outflows and debt distress. Further disruptions to the disinflation process, potentially triggered by new spikes in commodity prices amid persistent geopolitical tensions, could prevent central banks from easing monetary policy, which would pose significant challenges to fiscal policy and financial stability. Deeper- or longer-than-expected contraction in China's property sector, especially if it leads to financial instability, could weaken consumer sentiment and generate negative global spillovers given China's large footprint in global trade. An intensification of protectionist policies would exacerbate trade tensions, reduce market efficiency, and further disrupt supply chains. Rising social tensions could prompt social unrest, hurting consumer and investor confidence and potentially delaying the passage and implementation of necessary structural reforms.

As cyclical imbalances in the global economy wane, near-term policy priorities should be carefully calibrated to ensure a smooth landing. In many countries, shifting gears on fiscal policy is urgently needed to ensure that public debt is on a sustainable path and to rebuild fiscal buffers; the pace of adjustment should be tailored to country-specific circumstances. Structural reforms are necessary to lift medium-term growth prospects, but support for the most vulnerable should be maintained. Chapter 3 discusses strategies to enhance the social acceptability of these reforms—a crucial prerequisite for successful implementation. Multilateral cooperation is needed more than ever to accelerate

the green transition and to support debt-restructuring efforts. Mitigating the risks of geoeconomic fragmentation and strengthening rules-based multilateral frameworks are essential to ensure that all economies can reap the benefits of future growth.

Uncertainty Seeping through as Policies Shift

The past four years have put the resilience of the global economy to the test. A once-in-a-century pandemic, eruption of geopolitical conflicts, and extreme weather events have disrupted supply chains, caused energy and food crises, and prompted governments to take unprecedented actions to protect lives and livelihoods. The global economy has demonstrated resilience overall, but this masks uneven performance across regions and lingering fragilities

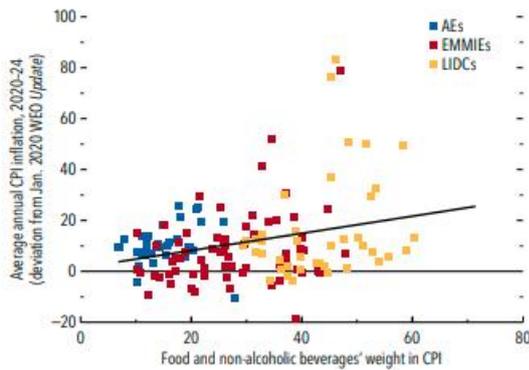
The negative supply shocks to the global economy since 2020 have had lasting effects on output and inflation, with varied impacts across individual countries and country groups. The sharpest contrasts are between advanced and developing economies. Whereas the former have caught up with activity and inflation projected before the pandemic, the latter are showing more permanent scars with large output shortfalls and persistent inflation (Figure 1.1). They also remain more vulnerable to the types of commodity price surges that followed Russia's invasion of Ukraine (Figure 1.2)

Since the beginning of the year, signs have emerged that cyclical imbalances are being gradually resorbed, with economic activity in major economies better aligned with their potential. These developments may have helped bring inflation rates across countries closer together, but the momentum in global disinflation appears to have slowed in the first half of the year (July 2024 World Economic Outlook Update). Goods prices have stabilized, and some are declining, but services price inflation remains high in many countries, partly reflecting rapid wage increases, as pay is still catching up with the inflation surge of 2021–22. This has forced some central banks to delay their policy-easing plans, putting public finances under more pressure, especially in countries where debt-servicing costs are already high and refinancing needs significant.

Now, as before, the global outlook will be shaped largely by fiscal and monetary choices, their international spillovers, the intensity of geoeconomic fragmentation forces, and the ability of governments to implement long-overdue structural reforms. With inflation approaching central bank targets and governments striving to manage debt dynamics, the policy mix is expected to shift from monetary to fiscal tightening as monetary policy rates are brought down, closer to their natural levels. How fast such rotations occur in individual countries will have consequences for capital flows and exchange rates.

The level of uncertainty surrounding the outlook is high. Newly elected governments (about half of the world population has gone or will go to the polls in 2024) could introduce significant shifts in trade and fiscal policy (Box 1.2). Moreover, the return of financial market volatility over the summer has stirred old fears about hidden vulnerabilities. This has heightened anxiety over the appropriate monetary policy stance— especially in countries where inflation is persistent and signs of slowdown are emerging. Further intensification of geopolitical rifts could weigh on trade, investment, and the free flow of ideas. This could affect long-term growth, threaten the resilience of supply chains, and create difficult trade-offs for central banks. On the upside, governments could succeed in building the necessary consensus around overdue and difficult-to-pass structural reforms, which would boost growth and enhance fiscal sustainability and financial stability.

Figure 1.2. Inflation Surprises and Importance of Food in CPI
(Percent)



Steady Disinflation, yet Bumps in the Road Still Possible

In many advanced economies, disinflation has come at a relatively low cost to employment, thanks partly to offsetting supply developments. These included a faster-than-expected decline in energy prices and a surprising rebound in labor supply, bolstered by substantial immigration flows that helped cool labor markets. Moreover, temporary sectoral bottlenecks during and after the pandemic led to a steepening of the Phillips curve and implied a small sacrifice ratio (the slack required to decrease inflation). Since the beginning of 2024, signs that cyclical imbalances are being gradually resorbed have helped bring inflation rates across countries closer together (Figure 1.3, panel 2). Disinflation has continued broadly as expected but did show signs of slowing in the first half of the year, suggesting potential bumps on the road to price stability (July 2024 World Economic Outlook Update). The persistence in core inflation has been driven primarily by services price inflation. At 4.2 percent, core services price inflation is about 50 percent higher than before the pandemic in major advanced and emerging market economies (excluding the US). This contrasts with core goods price inflation, which has declined all the way to zero (Figure 1.3, panel 3). Recent increases in shipping rates, especially for routes to and from China, have put upward pressure on goods prices. However, this source of upward pressure has been mitigated so far by declining prices for exports from China (Figure 1.3, panel 4). Stubbornness in services price inflation partly reflects higher nominal wage growth relative to pre pandemic trends. Even as labor market pressure has started to ease (Figure 1.4, panel 2), wage negotiators have continued to aim for sizable raises to counter the cost-of-living squeeze felt after the 2021–22 inflation surge (Figure 1.4, panel 1). That nominal wage growth continues to run higher after the inflation surge is consistent with past inflationary episodes—when real wages catch up to their equilibrium level determined by labor productivity—and does not necessarily risk a wage-price spiral.

With output gaps expected to close, and assuming no disruptions to labor supply in advanced economies, wage growth is expected to moderate. Whether recent increases translate into further persistence in core inflation will depend on (1) the impact of recent real wage increases on unit labor costs, which itself depends on labor productivity, and (2) the willingness of firms to absorb increased unit labor costs in their profit margins. These two factors seem to be working differently in the largest two advanced economies but should still allow disinflation to continue. In the United States, wage growth has reflected productivity gains lately, keeping unit labor costs contained. In the euro area, recent wage increases have exceeded productivity, raising unit labor costs (Figure 1.4, panel 3). However, European firms should be able to absorb those costs, given large increases in profit shares in recent years (Figure 1.4, panel 4).

Figure 1.3. Recent Inflation Developments

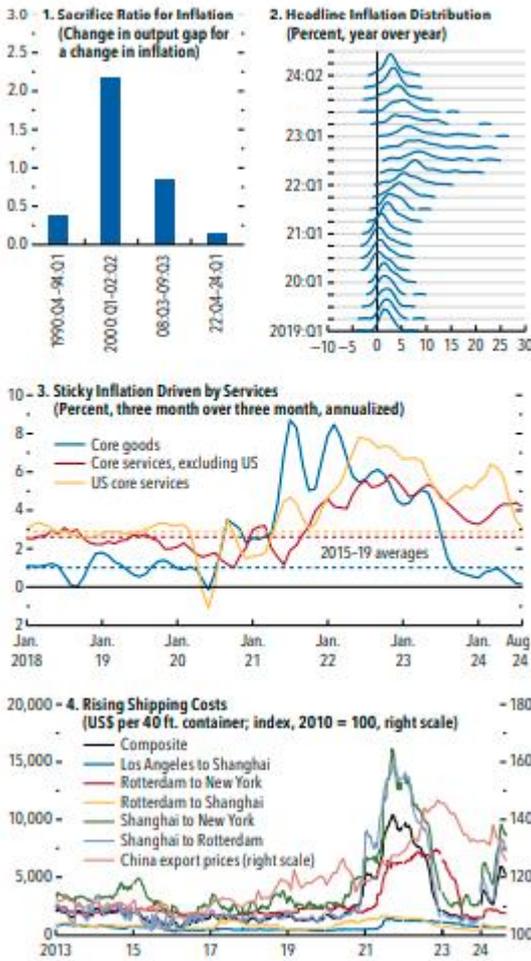
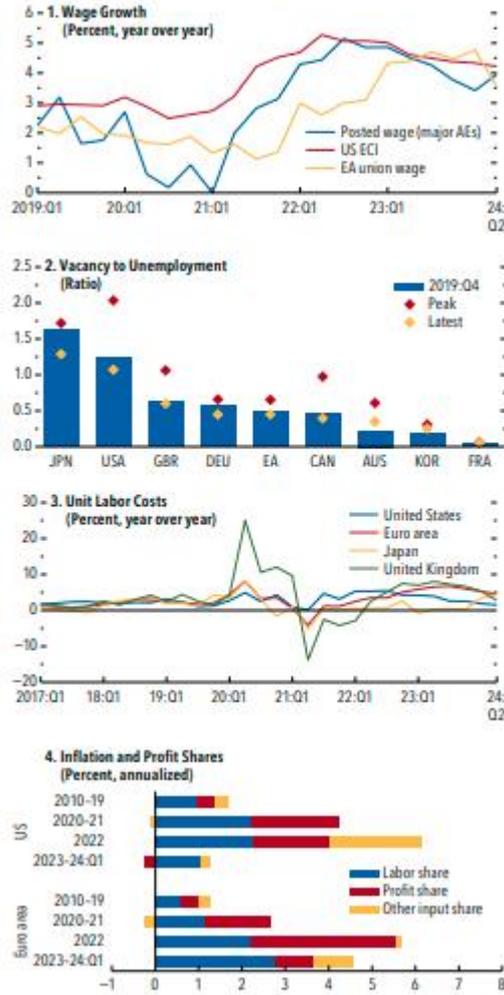


Figure 1.4. Labor Market Developments



Source: *World Economic Outlook, October 2024: Policy Pivot, Rising Threats*

<https://www.imf.org/en/Publications/WEO/Issues/2024/10/22/world-economic-outlook-october-2024>

Global economic growth.

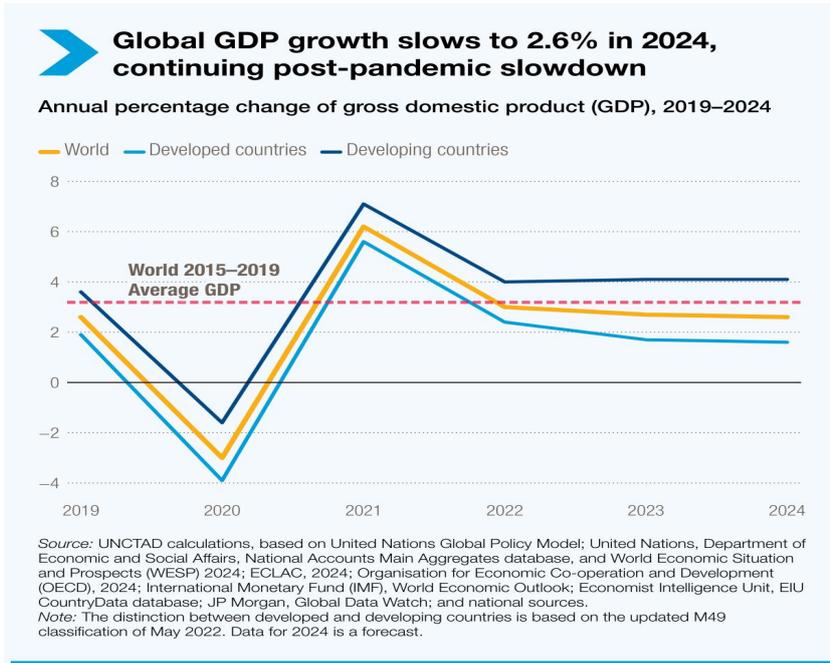
UN Trade and Development (UNCTAD) forecasts global economic growth to slow to 2.6% in 2024, just above the 2.5% threshold commonly associated with a recession. This marks the **third consecutive year of growth below the pre-pandemic rate**, which averaged 3.2% between 2015 and 2019.

A UN Trade and Development report released ahead of the 2024 Spring Meetings of the International Monetary Fund and the World Bank warns that the **prevailing focus on inflation overshadows urgent issues like trade disruptions, climate change and rising inequalities**. It calls for structural reforms and coordinated global efforts, proposing a comprehensive strategy that includes both supply-side policies to boost investment and demand-side measures to improve employment and income.

Growth driven by consumption

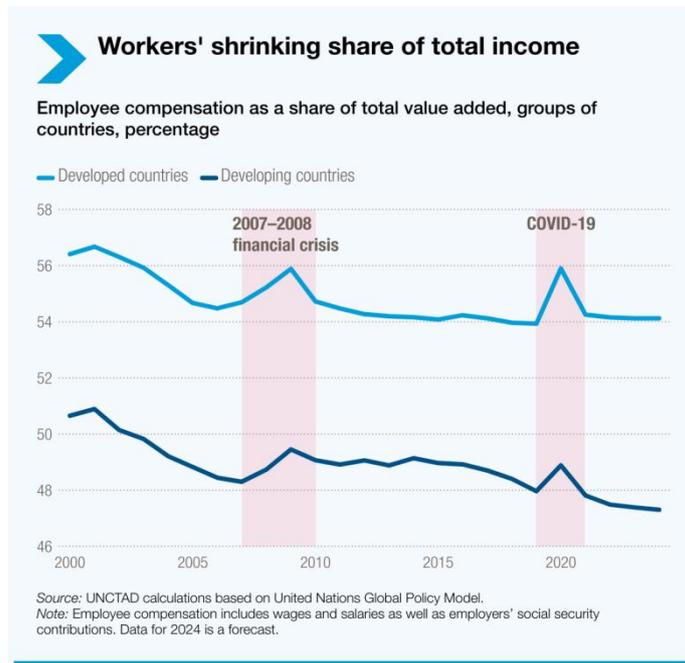
The report highlights the global economy's growing reliance on private consumption, projected to increase by about 4%, outpacing total income growth (2.6%). Historically, such increases in consumption have often relied on borrowing. With savings accumulated during the pandemic largely depleted to pre-2020 levels, debt is likely becoming a primary source of consumption.

This shift disproportionately benefits wealthier households with access to credit, exacerbating debt burdens for lower and middle-income groups and deepening economic inequalities.



Decline in workers' share of income

Another worrying trend is that inequality in the labour market continues to rise post-pandemic, with workers in both developed and developing countries earning a reduced share of income.



This indicates that the benefits of economic growth are increasingly reaped by capital owners rather than by workers, widening wage and wealth gaps.

Regional economic outlooks

The report highlights an uneven post-pandemic recovery.

Africa: Projected to grow at 3.0% in 2024, up slightly from 2.9% in 2023. Armed conflicts and climate impacts pose significant challenges in several countries. The continent's largest economies –

Nigeria, Egypt and South Africa – are underperforming, affecting overall prospects.

South America: Economic growth is slowing, with **Brazil** expected to grow at 2.1%, hampered by external pressures and commodity dependence. **Argentina** faces a 3.7% contraction due to inflation and complex debt negotiations.

North America: Growth remains relatively resilient, though challenges continue. **The United States** is expected to grow at 2.0%, reflecting concerns over high household debt levels.

Asia: **China** targets around 5% growth in 2024, capitalizing on robust manufacturing and trade. **India's economy** is buoyed by strong public investment and service sector growth, with a forecasted expansion of 6.5% in 2024. **Japan** is expected to grow at 1.0% amid export demand challenges.

Europe: Major economies experience economic slowdowns, with **France, Germany, and Italy** projecting growth of 1.3%, 0.9%, and 0.8%, respectively, due to industrial and fiscal challenges.

Oceania: Economic growth in the region, particularly in **Australia** (1.4% growth projected in 2024), is expected to remain subdued, with the low-growth period extending into 2024.

Source: <https://unctad.org/news/global-economic-growth-set-slow-26-2024-just-above-recession-threshold>

Indian Economy

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices for Q1 2024-25 is estimated at Rs. 77.31 lakh crores (US\$ 928.9 billion) with growth rate of 9.7%, compared to the growth of 8.5% for Q1 2023-24. The growth in nominal GDP during 2023-24 is estimated at 9.6% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY24. During the period April-September 2025, India's exports stood at US\$ 211.46 billion, with Engineering Goods (26.57%), Petroleum Products (16.51%) and electronic goods (7.39%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Indian Market Size

Real GDP or GDP at Constant (2011-12) Prices for the period Q1 2024-25 is estimated at Rs. 43.64 lakh crore (US\$ 524 billion), against the First Revised Estimates (FRE) of GDP for the year Q1 2023-24 of Rs. 40.91 lakh crore (US\$ 491 billion). The growth in real GDP during 2023-24 is estimated at 8.2% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's

ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. India's current account deficit (CAD) narrowed to 0.7% of GDP in FY24. The CAD stood at US\$ 9.7 billion for the Q1 2024-25 from US\$ 8.9 billion in Q1 2023-24 or 1.1% of GDP. This was largely due to decrease in merchandise trade deficit.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

Recent development in Indian Market

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of October 11, 2024, India's foreign exchange reserves stood at US\$ 690.43 billion.
- In 1H 2024, India saw a total of US\$ 31.5 billion in PE-VC investments.
- India secured 39th position out of 133 economies in the Global Innovation Index 2024. India rose from 81st position in 2015 to 39th position in 2024. India ranks 3rd position in the global number of scientific publications.
- In September 2024, the gross Goods and Services Tax (GST) stood at highest monthly revenue collection at Rs. 1.73 lakh crore (US\$ 20.83 billion).
- Between April 2000–June 2024, cumulative FDI equity inflows to India stood at US\$ 1,013.45 billion.
- In August 2024, the overall IIP (Index of Industrial Production) stood at 145.6. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 125.1, 147.1 and 219.3, respectively.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.49% (Provisional) for September 2024.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 13.89 billion) in India during January- (up to 15th July) 2024.
- The wheat procurement during Rabi Marketing Season (RMS) 2024-25 (till May) was estimated to be 266 lakh metric tonnes (LMT) and the rice procured in Kharif Marketing Season (KMS) 2024-25 was 400 LMT.

Government initiative to improve economy over the last years.

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

In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

In July 2024, the Ministry of Finance held the Union Budget and announced that for 2024-25, the total receipts other than borrowings and the total expenditure are estimated at Rs. 32.07 lakh crore (US\$ 383.93 billion) and Rs. 48.21 lakh crore (US\$ 577.16 billion), respectively.

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Aatmanirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antyodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.

Road ahead for Indian Markets

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2024-25, capital expenditure took lead by steeply increasing the capital expenditure outlay by 17.1 % to Rs.11 lakh crore (US\$ 133.51 billion) over Rs. 9.48 lakh crore (US\$ 113.91 billion) in 2023-24. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening

of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

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

Indian Healthcare System

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

India's healthcare delivery system is categorised into two major components - public and private. The government, i.e., the 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 Centers (PHCs) in rural areas. The private sector provides the majority of secondary, tertiary, and quaternary care institutions with a major concentration in metros, 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. The low cost of medical services has resulted in a rise in the country's medical tourism, attracting patients from across the world. Moreover, India has emerged as a hub for R&D activities for international players due to its relatively low cost of clinical research.

Market Size of Indian Healthcare System

Market size of India pharmaceuticals industry is expected to reach US\$ 65 billion by 2024, ~US\$ 130 billion by 2030 and US\$ 450 billion market by 2047. According to the government data, the Indian pharmaceutical industry is worth approximately US\$ 50 billion with over US\$ 25 billion of the value coming from exports. About 20% of the global exports in generic drugs are met by India.

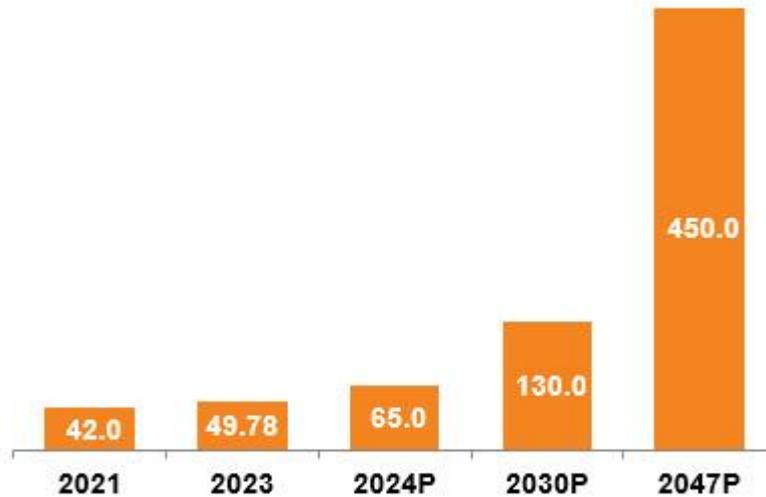
Indian hospital market valued at US\$ 98.98 billion in FY23 and projected to grow by 8% CAGR and reached to US\$ 193.59 billion by FY32.

India is among the top 12 destinations for biotechnology worldwide and 3rd largest destination for biotechnology in Asia Pacific. The country holds 3-5% of the global biotechnology industry pie. In 2022, India's bioeconomy was valued at US\$ 137 billion, and aims to achieve US\$ 300 billion mark by 2030.

During FY18 to FY23, the Indian pharmaceutical industry logged a compound annual growth rate (CAGR) of 6-8%, primarily driven by an 8% increase in exports and a 6% rise in the domestic market.

The Indian pharmaceutical industry has seen a massive expansion over the last few years and is expected to reach about 13% of the size of the global pharma market while enhancing its quality, affordability, and innovation.

Indian Pharmaceutical Market (US\$ billion)



Source: EY Report

The biosimilars market in India is estimated to grow at a compounded annual growth rate (CAGR) of 22% to become US\$ 12 billion by 2025. This would represent almost 20% of the total pharmaceutical market in India.

India is the 3rd largest producer of API accounting for an 8% share of the Global API Industry. About 500+ different APIs are manufactured in India, and it contributes 57% of APIs to prequalified list of the WHO.

The current market size of the medical devices sector in India is estimated to be US\$ 11 billion and its share in the global medical device market is estimated to be 1.5%. The government has set ambitious target to boost the medical devices industry in India, aiming to elevate it from its current US\$ 11 billion valuation to US\$ 50 billion by 2030.

The domestic pharmaceutical sector expects sales to grow 8-10% in the financial year 2023-24, indicated an analysis done by CRISIL, a global analytical research and rating agency.

Indian pharma companies have a substantial share in the prescription market in the US and EU. The largest number of FDA-approved plants outside the US is in India.

According to the Indian Economic Survey 2021, the domestic market is expected to grow 3x in the next decade. India's domestic pharmaceutical market stood at US\$ 42 billion in 2021 and is likely to reach US\$ 65 billion by 2024 and further expand to reach US\$ 120-130 billion by 2030. India's biotechnology industry comprises biopharmaceuticals, bio-services, bio-agriculture, bio-industry, and bioinformatics. The Indian biotechnology industry was valued at US\$ 70.2 billion in 2020 and is expected to reach US\$ 150 billion by 2025. India's medical devices market stood at US\$ 10.36 billion in FY20. The market is expected to increase at a CAGR of 37% from 2020 to 2025 to reach US\$ 50 billion. The Indian pharmaceuticals industry is expected to grow 9-11% in the financial year 2024, as per ICRA.

In the global pharmaceuticals sector, India is a significant and rising player. India is the world's largest supplier of generic medications, accounting for 20% of the worldwide supply by volume and supplying about 60% of the global

vaccination demand. The Indian pharmaceutical sector is worth US\$ 42 billion worldwide. In FY23, the Indian pharma market saw a year-on-year growth of nearly 5%, reaching US\$ 49.78 billion. During FY18 to FY23, the Indian pharmaceutical industry logged a compound annual growth rate (CAGR) of 6-8%, primarily driven by an 8% increase in exports and a 6% rise in the domestic market.

Investment/Development in Indian Healthcare System

The Indian Pharmaceuticals industry plays a prominent role in the global pharmaceuticals industry. India ranks third worldwide for production by volume and 14th by value.

In this regard the sector has seen a lot of investments and developments in the recent past.

- Sanofi announced its plans to invest US\$ 435 million over the next six years to expand its global capability center (GCC) in Hyderabad, India by increasing the headcount and further developing the facility.
- In the Indian pharmaceutical industry, there were 24 M&A deals announced in Q1 2024, worth a total value of US\$ 456.3 million.
- As of 30th June 2024, the Department for Promotion of Industry and Internal Trade (DPIIT) has recognized a total of 1,40,803 entities as startups, of which 2,127 are from the pharmaceutical sector.
- MedGenome has acquired a stake in GenX Diagnostics, a diagnostic lab chain in Odisha. This strategic move combines MedGenome's advanced science and technological capabilities with GenX's diagnostics leadership in the East, empowering clinicians in Odisha.
- In March 2024, Union Minister for Chemicals & Fertilizers and Health & Family Welfare Dr. Mansukh Mandaviya inaugurated 27 greenfield bulk drug park projects and 13 greenfield manufacturing plants for medical devices.
- Cipla received approval from the Central Drugs Standard Control Organization (CDSCO) to market the novel antibiotic plazomicin in India for the treatment of complicated urinary tract infections (cUTI) affecting approximately 150 million patients each year.
- Cipla received approval from the Central Drugs Standard Control Organization (CDSCO) to market the novel antibiotic plazomicin in India for the treatment of complicated urinary tract infections (cUTI) affecting approximately 150 million patients each year.
- For the period 2020-21 to 2027-28, 26 Applicants for manufacturing of Medical Devices have been approved for 138 products under the PLI scheme with total financial outlay of US\$ 411.01 million (Rs.3,420 crores).
- Up to 100%, FDI has been allowed through automatic route for Greenfield pharmaceuticals projects. For Brownfield pharmaceuticals projects, FDI allowed is up to 74% through automatic route and beyond that through government approval.
- The cumulative FDI equity inflow in the Drugs and Pharmaceuticals industry is US\$ 22.52 billion during the period April 2000-March 2024.
- In November 2023, Lupin Ltd. unveiled the world's first fixed-dose triple combination drug for managing chronic obstructive pulmonary disease (COPD).
- In October 2023, Glenmark Pharmaceuticals introduced Zita, a cost-effective triple combination drug for Type 2 diabetes treatment, enhancing glycaemic control in diabetic patients.
- In August 2023, Union Minister for Labour & Employment and Environment, Forest and Climate Change Mr. Bhupender Yadav launched Chemotherapy Services in 30 ESIC Hospitals across the country.
- An MoU was signed on June 4, 2023, between the Indian Pharmacopoeia Commission (IPC), Ministry of Health & Family Welfare, Government of India and Ministry of Health, Government of Suriname for Recognition of Indian

Pharmacopoeia (IP) in Suriname.

- In May 2023, the Ministry of Minority Affairs and the Ministry of Ayush joined hands to advance the Unani System of Medicine in India.
- Prime Minister Mr. Narendra Modi during his Independence Day 2023 speech said that the government has plans to increase the number of 'Jan Aushadhi Kendras' from 10,000 to 25,000.
- The Department of Pharmaceuticals will soon launch the Scheme for the Promotion of Research and Innovation in Pharma (PRIP) MedTech Sector. The scheme has been approved by the Union Cabinet for a period of five years starting from 2023-24 to 2027-28 with a total outlay of Rs. 5,000 crore (US\$ 604.5 million).
- Emcure Pharmaceuticals Limited (EPL) becomes the first ever company to launch Orofer FCM 750, a new extension of its parenteral iron brand containing Ferric carboxymaltose (FCM). The dose is suitable for the majority of Indian patients with iron deficiency and iron deficiency anaemia.
- Japanese companies have been invited to invest in the Indian Pharmaceutical and Medical Device Industry. The cooperation between Pharmaceutical Traders Association and Japan Federation of Medical Devices Associations of the two countries can contribute to stabilize the global supply-chain especially of APIs and Medical Devices.
- Sun Pharmaceutical Industries Limited announced the successful completion of its acquisition of Concert Pharmaceuticals, Inc. on March 6, 2023, a late-stage clinical biopharmaceutical company that is developing deuruxolitinib, a novel, deuterated, oral JAK1/2 inhibitor, for the potential treatment of adult patients with moderate to severe alopecia areata.
- Glenmark Pharmaceuticals Ltd. (Glenmark), an innovation-driven, global pharmaceutical company, is the first to launch a unique I.V. injection formulation, Akynzeo I.V., in India for the prevention of chemotherapy-induced nausea and vomiting (CINV), under an exclusive licensing agreement with Helsinn, a Swiss biopharma group company.
- Entod Pharmaceuticals launched its new ocular aesthetic range focused on improving eye comfort and enhancing the aesthetics of the eyes.
- BDR Pharmaceutical launched the first generic apalutamide (brand name Apatide) in India to treat both metastatic castration sensitive prostate cancer as well as non-metastatic castration resistant prostate cancer. The product will be available across India.
- Anglo French Drugs & Industries Limited (AFDIL), a 99-year-old organization in the pharmaceutical sector, announced that it has entered into the fertility space with the launch of the LYBER range.
- Eli Lilly introduces Ramiven in India, for certain high-risk early breast cancer patients in November 2022.
- ICPA Health Products Ltd (ICPA), a leading pharma company in the oral healthcare segment, launched its latest product – Heximetro at the annual conference of the Indian Society of Periodontology (ISP) in November 2022.
- The FDI inflows in the Indian drugs and pharmaceuticals sector reached US\$ 19.90 billion between April 2000-June 2022.
- The Indian drugs and pharmaceuticals sector received cumulative FDIs worth US\$ 19.41 billion between April 2000-March 2022.
- The foreign direct investment (FDI) inflows in the Indian drugs and pharmaceuticals sector reached US\$ 1,414 million between in FY 2021-22.
- The Indian pharmaceutical industry generated a trade surplus of US\$ 15.81 billion in FY22.
- Medical Device industry is expected to reach US\$ 50 billion by 2030 growing at a CAGR of 15%.

- In November 2022, Sun Pharma and SPARC entered into a license agreement for commercialization of phenobarbital for injection in the US.
- Glenmark becomes the First Company in India to launch Tenepliptin + Dapagliflozin Fixed Dose Combination in October 2022.
- In October 2022, Lupin signed an agreement to acquire two inhalation brands from Sunovion Pharmaceuticals Inc.
- Reddy's Laboratories announced the launch of Lenalidomide Capsules in the U.S. with two of six strengths eligible for first-to-market, 180-day exclusivity in September 2022.
- In June 2022, Cipla partnered with Drugs for Neglected Diseases initiative (DNDi) to announce the launch of a 4-in-1 antiretroviral treatment for children living with HIV in South Africa.
- Glenmark becomes the first pharmaceutical company to launch Indacaterol + Mometasone fixed-dose combination drug for Asthma in India.
- In May 2022, Sun Pharmaceutical Industries Limited through one of its wholly owned subsidiaries plans to launch Bempedoic Acid under the brand name Brillo, in India for reducing low-density lipoprotein (LDL) cholesterol.
- In May 2022, Dr. Reddy's Laboratories enters into exclusive partnership with HK inno.N Corporation to commercialise novel molecule Tegoprazan in India & select emerging markets.
- In April 2022, Dr Reddy's Laboratories Ltd. inked a pact with MediCane Health to announce the launch of medical cannabis products in Germany.
- The Union Cabinet have its nod for the amendment of existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100% under the automatic route for manufacturing of medical devices subject to certain conditions.
-

Government Initiatives to Support Indian Healthcare System

Some of the initiatives taken by the Government to promote the pharmaceutical sector in India are as follows:

In the Interim Budget 2024-25:

- The government earmarked Rs. 1,000 crore (US\$ 120 million) for the promotion of bulk drug parks for FY25, a significant increase from the previous year.
- The total outlay for the development of the pharmaceutical industry for FY25 was increased to Rs. 1,300 crore (US\$ 156.5 million) while the budget for the promotion of medical device parks was raised to Rs. 150 crore (US\$ 18 million) for FY25.
- The allocation for assistance to medical device clusters for common facilities (AMD-CF) was pegged at Rs. 40 crore (US\$ 4.1 million) for FY25.
- The outlay for the Jan Aushadhi scheme, the initiative to provide affordable generic medicines in the country, was hiked to Rs. 284.5 crore (US\$ 34 million) for FY25, up from Rs. 110 crore (US\$ 13 million) in the revised estimate for FY24.

As per the Union Budget 2023-24:

- A mission to eliminate sickle cell anaemia by 2047 will be launched. It would involve raising awareness, conducting a comprehensive screening of seven crore individuals in the impacted tribal regions between the ages of 0 and 40, and providing counselling through coordinated efforts.
- For innovation in the pharmaceutical sector, through centres of excellence, a new initiative to encourage pharmaceutical research and innovation will be implemented. The government persuades business to spend

money on R&D in a few chosen priority fields. At the grassroots level, government has also announced on building 157 nursing colleges in co-location with government medical colleges.

The Union Cabinet, on April 26, 2023, approved the National Medical Devices Policy, 2023. The National Medical Devices Policy, 2023 is expected to facilitate an orderly growth of the medical device sector to meet the public health objectives of access, affordability, quality, and innovation.

Ayushman Bharat Digital Mission (ABDM):

- Under the ABDM, citizens will be able to create their ABHA (Ayushman Bharat Health Account) numbers, to which their digital health records can be linked. This will enable creation of longitudinal health records for individuals across various healthcare providers and improve clinical decision making by healthcare providers.
- The pilot of ABDM is completed in the six Union Territories of Ladakh, Chandigarh, Dadra & Nagar Haveli and Daman & Diu, Puducherry, Andaman and Nicobar Islands, and Lakshadweep with successful demonstration of technology platform developed by the NHA.

During the pilot, digital sandbox was created in which more than 774 partner solutions are undergoing integration. As of September 4, 2023, 450,164,619 Ayushman Bharat Health Accounts have been created and 224,967 doctors and 218,602 health facilities have been registered in ABDM.

Scheme for Development of Pharma industry – Umbrella Scheme:

- i. The Department of Pharmaceuticals has prepared an Umbrella Scheme namely ‘Scheme for Development of Pharma industry.’ Which comprises of the following sub schemes:
 - Assistance to Bulk Drug Industry for Common Facilitation Centres
 - Assistance to Medical Device Industry for Common Facilitation Centres
 - Assistance to Pharmaceutical Industry (CDP-PS)
 - Pharmaceutical Promotion and Development Scheme (PPDS)
 - Pharmaceutical Technology Upgradation Assistance Scheme (PTUAS)

As per the Union Budget 2022-23:

- Rs. 3,201 crore (US\$ 419.2 million) has been set aside for research and Rs. 83,000 crore (US\$ 10.86 billion) has been allocated for the Ministry of Health and Family Welfare.
- Rs. 37,000 crore (US\$ 4.83 billion) has been allocated to the 'National Health Mission'.
- Rs. 10,000 crore (US\$ 1.28 billion) has been allocated to Pradhan Mantri Swasthya Suraksha Yojana.
- The Ministry of AYUSH has been allocated Rs. 3,050 crore (US\$ 399.4 million), up from Rs. 2,970 crore (US\$ 389 million).
- In March 2022, under the Strengthening of Pharmaceutical Industry (SPI) Scheme, a total financial outlay of Rs. 500 crore (US\$ 665.5 million) for the period FY22 to FY26 were announced.
- India could restart deliveries of COVID-19 shots to global vaccine-sharing platform COVAX in November-December 2021 for the first time since April 2021. The World Health Organization (WHO), which co-leads COVAX, has been pushing India to resume supplies for the programme, particularly after it sent ~4 million doses to neighbours and allies in October 2021.
- In November 2021, PM Mr. Narendra Modi inaugurated the first Global Innovation Summit of the pharmaceuticals sector. The summit will have 12 sessions and over 40 national and international speakers deliberating on a range of

subjects including regulatory environment, funding for innovation, industry-academia collaboration, and innovation infrastructure.

- In August 2021, Union Health Minister, Mr. Mansukh Mandaviya announced that an additional number of pharmaceutical companies in India are expected to commence manufacturing of anti-coronavirus vaccines by October-November 2021. This move is expected to further boost the vaccination drive across the country.
- In June 2021, Finance Minister Ms. Nirmala Sitharaman announced an additional outlay of Rs. 1,97,000 crore (US\$ 26,578.3 million) that will be utilised over five years for the pharmaceutical PLI scheme in 13 key sectors such as active pharmaceutical ingredients, drug intermediaries and key starting materials.
- To achieve self-reliance and minimise import dependency in the country's essential bulk drugs, the Department of Pharmaceuticals initiated a PLI scheme to promote domestic manufacturing by setting up greenfield plants with minimum domestic value addition in four separate 'Target Segments' with a cumulative outlay of Rs. 6,940 crore (US\$ 951.27 million) from FY21 to FY30.
- In May 2021, under Atmanirbhar Bharat 3.0, the Government of India announced Mission COVID Suraksha to accelerate development and production of indigenous COVID vaccines. To augment the capacity of indigenous production of Covaxin under the mission, the Department of Biotechnology, Government of India, provided financial support in the form of a grant to vaccine manufacturing facilities for enhanced production capacities, which is expected to reach >10 crore doses per month by September 2021.

Road Ahead for Indian Healthcare Industry

The pharmaceutical industry in India is a significant part of the nation's foreign trade and offers lucrative potential for investors. Millions of people around the world receive affordable and inexpensive generic medications from India, which also runs a sizable number of plants that adhere to Good Manufacturing Practices (GMP) standards set by the World Health Organization (WHO) and the United States Food and Drug Administration (USFDA). Among nations that produce pharmaceuticals, India has long held the top spot. Medicine spending in India is projected to grow 912% over the next five years, leading India to become one of the top 10 countries in terms of medicine spending. Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as cardiovascular, anti-diabetes, anti-depressants, and anti-cancers, which are on the rise. The Indian Government has taken many steps to reduce costs and bring down healthcare expenses. The National Health Protection Scheme, which aims to offer universal healthcare, the ageing population, the rise in chronic diseases, and other government programmes, including the opening of pharmacies that offer inexpensive generic medications, should all contribute to boost the Indian pharmaceutical industry.



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

Indian Pharmaceutical Industry Outlook

The Indian pharmaceutical industry has proved to be the major player in the domestic and international market. This supremacy has been achieved through an enduring process of manufacturing, competitive prices practice, and highly skilled staff. One of the major strategies for Indian pharma sector in terms of growth is its global expansion which is the key driver of this industry's performance. The degree to which Indian pharma progresses towards the international level depends crucially on its flexibility and robustness in the global health arena. This case study shows us the different strategies that the Indian pharmaceutical companies have been using to expand their global reach and the factors that have contributed to the expansion of the industry.

Evolution of the Indian Pharmaceutical Industry

1970-90

In India, the patent reform started with the Indian Patent Act of 1970. This Act was critical as it opened up the Pharma landscape in India. This was a key moment that changed the direction of the industry, and it became a driving force for the industry's growth. This move helped lay the foundation for many domestic companies to compete and boost innovation. The creation of production infrastructure required an extensive amount of work, especially for Active Pharmaceutical Ingredients (APIs), which ended up serving as the foundation of the pharmaceutical manufacturing sector. Exports also began to pick up pace during this period.

1990-2010

Indian pharmaceutical companies began to expand into global markets through strategic acquisitions, collaboration with major players, and setting up of subsidiary companies in developed economies like the US and Europe solely for the purpose of global expansion. In 2005, a major event of approval of the Patents (Amendment) Act came through, which allowed Indian manufacturers to patent their drugs in India and export to foreign markets. This in turn fuelled innovation among companies and increased competition at a global level.

2010-13

Patent filings by pharmaceutical companies increased in India to ensure protection of innovation, which enabled them to stay ahead in the market. There was a shift in the operational framework of several companies as they adopted various sales strategies such as channel management, Key Account Management (KAM) and Contract Sales Organisations (CSO). This demonstrates the additional effort that was taken to reach customers in a different manner to drive sales. In 2012, the National Pharmaceutical Pricing Policy was introduced with the aim of ensuring the fair pricing of essential medicines. The policy helped to address concerns such as affordability of vital drugs.

2013-15

In 2014, the policy of 100% Foreign Direct Investment (FDI) in the medical devices sector was the first step to open the door for more investments in the country, the establishment of collaboration and partnerships with global players. For widening their scale of domestic and international operations the firms began to finance their operations using aggressive methods. In 2015, India was reported to house 3,000 pharma companies and 10,500 manufacturing units.

2015-20

As part of the 2016 Union Budget, the government raised the FDI limit to 74% for existing pharma companies and 100% FDI for new projects. This increased the interest of foreign players looking to enter India. To position it as a leading nation for end-to-end drug manufacturing, the government introduced 'Pharma Vision 2020'. In order to expand rapidly and shorten investment time, the approval time for investments by foreign companies in India was reduced, creating an environment for innovation, and fuelling growth of business.

2020-to date

India emerged as a key vaccine producer amid COVID-induced challenges, becoming the third-largest producer in the world after China and Russia by exporting close to 30 crore doses globally.

Between 2021-23, Indian pharma companies exported 30 crore COVID vaccine doses. 77% of the doses exported were commercial exports, 17% were exported to developing countries that are mainly low-income countries, and the remaining were provided to nations as grants, according to the Ministry of External Affairs (MEA). Currently, India stands as the thirdlargest commercial exporter of COVID vaccines across the globe, following China and Russia. Majority of the doses (~48%) were exported to the Netherlands, and then Australia and Myanmar. Under the COVAX initiative, 5.2 crore doses were exported, largely to Bangladesh, Nigeria, and Nepal. Myanmar, Bangladesh, and Nepal were the nations that received the maximum doses out of the 1.5 crore doses that were supplied as grants.

The Production Linked Incentive (PLI) for the pharmaceutical sector was announced in 2021 with an outlay of US\$ 1.8 billion (Rs. 15,000 crore). The scheme accelerated India's manufacturing capacity, drew more investments, and diversified products lineup in the sector.

FACTORS DRIVING GROWTH AND INTERNATIONAL EXPANSION

The Indian pharmaceutical industry has shown significant growth in recent years. Several factors that help to drive this growth are mentioned below:

1. Cost effectiveness:

Compared to any developed economy, India has a key advantage of being cost-effective in terms of the manufacturing process and labour. This finally leads Indian pharma firms to cost efficiently produce high quality generic drugs, which in turn helps them to become attractive players in the international market.

2. Skilled labour force:

The Indian pharma industry leverages upon trained professionals namely scientists, researchers, and technicians to conduct effective studies and to achieve high quality standards along with innovation in drug discovery and development.

3. Generic drug manufacturing:

The Indian pharma industry is now on the road to dominating the generic medicine manufacturing worldwide. This has been achieved with the aid of reverse engineering the patented medicines and regulatory approvals. The manufacturing of generic drugs considerably benefits emerging nations.

4. Research and development:

Indian drug companies to develop new drugs are investing heavily on therapeutic potency and also improving upon the manufacturing process. By putting innovation first, companies have been able to enter the international market through complex generic drugs, biosimilars and niche formulations of drugs.

5. Regulatory compliance:
In order to maintain the highest quality standards, Indian pharmaceuticals follow the regulatory standards set by the international regulatory authorities such as the Food and Drug Administration (FDA), European Medicines Agency (EMA) and World Health Organization (WHO). This gives boost to Indian pharmaceutical companies worldwide.

5. Collaborations and strategic partnerships:

In order to widen their geographical boundaries, technological developments and to innovate their drug productivity, Indian pharma companies prefer strategic partnership, joint ventures, and licensing agreements. This method not only facilitates knowledge transfer but also assists in the internationalization of a brand.

6. Diversification of market:

Indian pharma companies are moving beyond their traditional product range as they strive to enter into global markets to serve a wider customer base. Providing products as wide as generics, branded generics, specialty drugs, biosimilars and vaccines, the company can capture a substantial international market share

7. Government support:

The government has issued some policies like tax incentives, export enhancing schemes and PLI schemes to foster the growth of Indian pharmaceutical companies. It launched a PLI scheme with an initial outlay of Rs. 15,000 crore (US\$ 1.80 billion) until 2027-28. This in turn enhances the country's manufacturing abilities by encouraging investment and production.

Market Analysis and Market Trend

- Known as the 'pharmacy of the world', the Indian pharmaceutical industry has made a name for the generic medicines and low-cost vaccines produced and supplied globally.
- The Indian pharmaceutical industry has changed over the years and is currently the third largest in the world in terms of volume, and in terms of value it stands at 14th position.
- The pharma industry contributes ~1.72% to the India's GDP. As per the Investment Information and CreditRating Agency (ICRA), the Indian pharma industry is expected to grow 9- 11% in 2024. In FY23, the Indian pharma market reached US\$ 49.78 billion, growing nearly 5% year-on-year.
- From FY18 to FY23, the Indian pharmaceutical industry registered a CAGR of 8%, primarily driven by an 8% increase in exports and a 6% rise in the domestic market.

The market size of the Indian pharma industry is expected to touch US\$ 65 billion by 2024, ~US\$ 130 billion by 2030 and ~US\$ 450 billion by 2047.

MARKET ANALYSIS AND EXPORT TREND



Source: EY OPPI report: Reimagining pharma and healthcare

Top 5 companies based on the percentage of revenue that has been earned from geographies excluding India.

Company Name	Revenue – FY23 (US\$ billion)	Revenue - Excluding India (%)
Aurobindo Pharma Limited	3.03	90%
Dr. Reddy's Laboratories Limited	2.99	80%
Sun Pharmaceutical Industries Limited	5.27	67%
Lupin Limited	2.03	60%
Cipla Limited	2.77	57%

Source: S&P Capital IQ

FAVOURABLE POLICY MEASURES SUPPORT GROWTH

4

Promotion of Medical Devices Parks

- Objective of the scheme is Creation of world class infrastructure facilities in order to make Indian medical device industry a global leader.
- Easy access to standard testing and infrastructure facilities through creation of world class Common Infrastructure Facilities for increased competitiveness will result into significant reduction of the cost of production of medical devices leading to better availability and affordability of medical devices in the domestic market.

5

Production Linked Incentive

- In September 2020, the government announced production-linked incentive (PLI) scheme for the pharmaceutical industry worth Rs. 15,000 crore (US\$ 2.04 billion).
- The production-linked incentive (PLI) scheme was introduced to encourage Indian manufacturers to produce critical key starting materials (KSMs), drug intermediates (DIs) and active pharmaceutical ingredients (APIs). To support this, the government granted funds worth US\$ 932.66 million.
- PLI scheme envisages manufacturing of 41 Bulk Drugs with a total outlay of Rs. 6,940 crore (US\$ 838.16 million) during the tenure of the scheme from 2020-21 to 2029-30.

6

Interim Budget 2024-25

- In the Interim Budget 2024-25, the government earmarked US\$ 120 million (Rs 1,000 crore) for the promotion of bulk drug parks for FY25, a significant increase from the previous year.
- The total outlay for the development of the pharmaceutical industry for FY25 was increased to US\$ 156.5 million (Rs. 1,300 crore) while the budget for the promotion of medical device parks was raised to US\$ 18 million (Rs. 150 crore) for FY25.
- The allocation for assistance to medical device clusters for common facilities (AMD-CF) was pegged at US\$ 4.1 million (Rs. 40 crore) for FY25.
- The outlay for the Jan Aushadhi scheme, the initiative to provide affordable generic medicines in the country, was hiked to US\$ 34 million (Rs. 284.5 crore) for FY25, up from US\$ 13 million (Rs. 110 crore) in the revised estimate for FY24.

1

Strengthening of Pharmaceutical Industry (SPI)

The Ministry's scheme "Strengthening of Pharmaceutical Industry (SPI)" with a total financial outlay of US\$ 60.9 million (Rs. 500 crore) extends support required to existing pharma clusters and MSMEs across the country to improve their productivity, quality and sustainability.

2

Scheme for Development of Pharma industry – Umbrella Scheme

- The Department of Pharmaceuticals has prepared an Umbrella Scheme namely 'Scheme for Development of Pharma industry'. Which comprises of the following sub schemes:
 - Assistance to Bulk Drug Industry for Common Facilitation Centres
 - Assistance to Medical Device Industry for Common Facilitation Centres
 - Assistance to Pharmaceutical Industry (CDP-PS)
 - Pharmaceutical Promotion and Development Scheme (PPDS)
 - Pharmaceutical Technology Upgradation Assistance Scheme (PTUAS)

3

Support for technology upgrades and FDIs

- Ayushman Bharat Digital Mission (ABDM): Under the ABDM, citizens will be able to create their ABHA (Ayushman Bharat Health Account) numbers, to which their digital health records can be linked. This will enable creation of longitudinal health records for individuals across various healthcare providers and improve clinical decision making by healthcare providers.
- The pilot of ABDM is completed in the six Union Territories of Ladakh, Chandigarh, Dadra & Nagar Haveli and Daman & Diu, Puducherry, Andaman and Nicobar Islands and Lakshadweep with successful demonstration of technology platform developed by the NHA.
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7

Biotechnology Industry Research Assistance Council

- BIRAC has been established to promote research & innovation capabilities in India's biotech industry. The council will provide funding to biotech companies for technology & product development.
- BIRAC under Small Business Innovation Research Initiative (SBIRI) scheme supports innovations in biotechnology.

8

Biotechnology Based Programme for Women

- Programme on application of biotechnology for women was done to provide employment, skill development, awareness generation, health improvement & socio-economic upliftment of the women population.

9

National Biopharma Mission

- The Industry - Academia mission was launched in June 2017 to boost development of biopharmaceuticals in India.

10

National Commission for Homoeopathy (NCH) Bill, 2018

- In December 2018, the Government of India approved the National Commission for Homoeopathy, Bill, 2018 in order to have more transparency in the sector.

11

Scheme for Promotion of Research and Innovation in Pharma MedTech Sector (PRIP)

The Department of Pharmaceuticals will soon launch the Scheme for the Promotion of Research and Innovation in Pharma (PRIP) MedTech Sector. The scheme has been approved by the Union Cabinet for a period of five years starting from 2023-24 to 2027-28 with a total outlay of Rs. 5,000 crore (US\$ 604.5 million).

India's Nutraceutical Market

- India's nutraceutical market is prepped to be a global leader at USD 4-5 billion. It is expected to grow approximately USD 18 billion by 2025.
- The dietary supplements market in India is valued at USD 3924.44 million in 2020 and reports say that it will reach USD 10,198.57 million by 2026 that is 22% growth rate year on year.
- The ongoing pandemic and the rising importance about preventive healthcare has led to the exponential growth of this sector.
- Indian population has begun to believe in immunity-boosting supplements and has led to a significant shift in buying patterns and market behaviour. Vitamin capsules, chewable tablets and gummies are examples of the open-minded buying behaviour of consumers of healthcare products.

Rise of Preventative Healthcare

- Preventive healthcare has become an important line of defence during the pandemic proving the nutraceuticals sector to be a strong economic partner to the people.
- Even after the pandemic severity has minimized, nutraceuticals purchases are soaring. The second wave proved that the nutraceutical sector has built and will continue to grow its presence in the market. (Naresh, n.d.)
- The global market for nutraceuticals is huge at approximately USD 117 billion, the Indian nutraceutical industry can step up to combat health issues in India amidst ongoing pandemic and significantly contribute to India's Gross Domestic Product (GDP).

- The consumption of potential nutrients and micro-nutrients like Vitamin A, Vitamin D, Vitamin C, folate, selenium, zinc, etc. has substantially increased for better immunity.
- According to a study by Nutrition and Dietary Supplements, many ingredients can be included in daily diet to possibly gain immunity or protection against coronavirus. Polyphenols, leguminous seeds containing plant protease inhibitors, as well as proteins, such as whey protein could be incorporated into the daily diet.

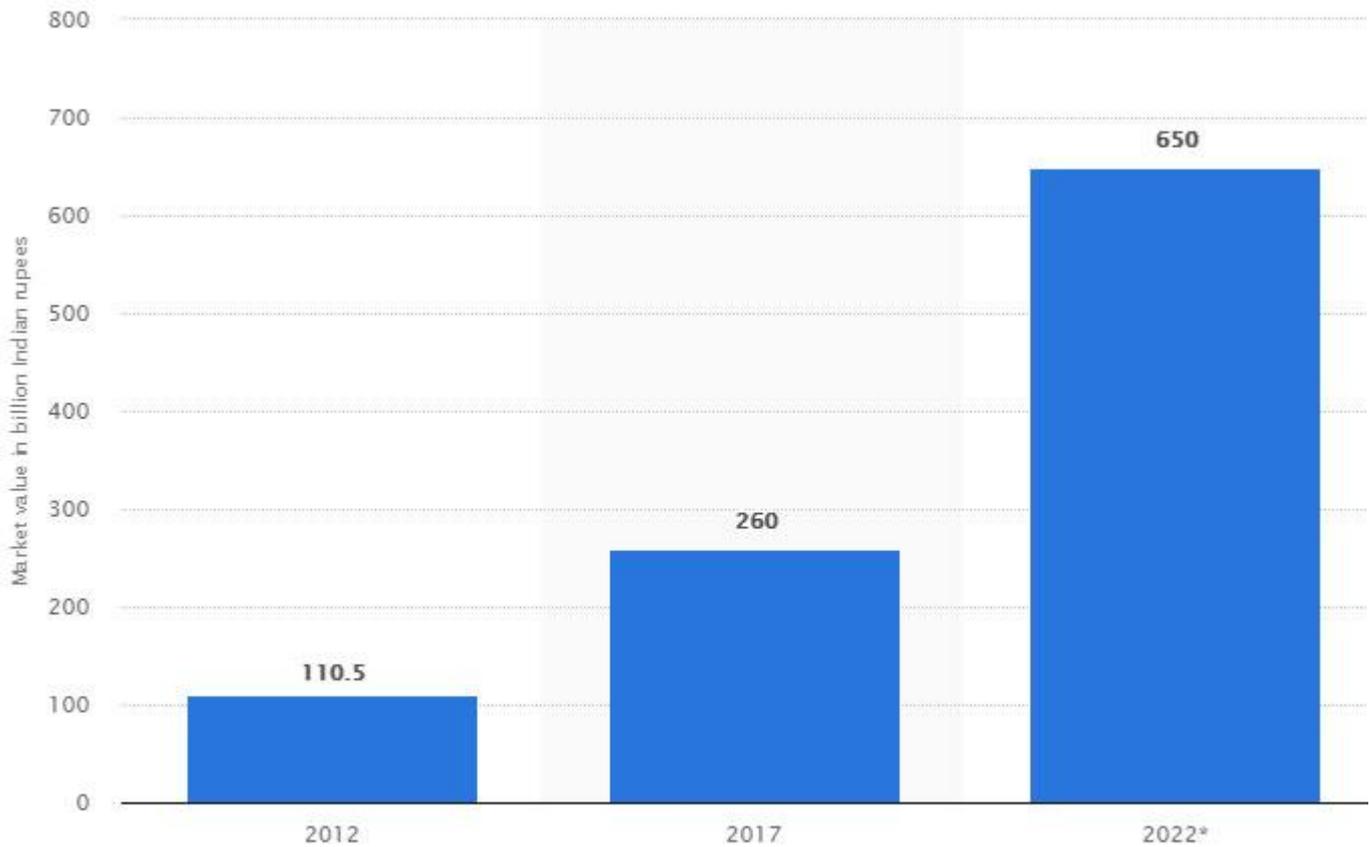
Industry Overview

Global Nutraceutical Market Stats

Currently, 90% of the total global nutraceutical market is captured by the USA, Japan and Europe. The global market should reach USD 336 billion by 2023 from USD 247 billion in 2019 at a compound annual growth rate (CAGR) of 8%.

Indian Nutraceutical Market Stats

- After these global markets have attained maturity, the nutraceutical organizations are now shifting to developing economies in the Asia Pacific.
- In 2017, the Indian market held only a 2% market share of the global nutraceutical market and its estimated valuation stands at around \$5 billion as of 2019. It is expected to reach USD 11 billion by 2023, increasing at a CAGR of 21%.
- By 2023, India is also expected to hold at least a 3.5% market share of the global market.
- Pharmaceuticals export from India stood at USD 16.3 billion in FY20. As of November 2020, India exported pharmaceuticals worth USD 15.86 billion in FY21. Pharmaceutical exports stood at USD 16.28 billion in FY20 and USD 2.07 billion in October 2020.
- Currently, the Indian market imports more than it exports; USD 1.5 billion in exports and importing the USD 2.7 billion worth of nutraceuticals. The market is expected to grow at a significant 22% CAGR by 2023.
- The Indian nutraceuticals industry has been growing at 25% annually during the pandemic. The Foreign Direct Investment (FDI) has also increased from USD 131.4 million (FY12) to USD 584.7 million (FY19).



Current Trends and Future Predictions

- The urban population across India have become health and fitness conscious like never before. This is providing a massive growth opportunity for Nutraceuticals Industry in India. Due to which the market is expected to witness significant growth.
- Nutraceutical manufacturers and marketers have come up with new ways to make the consumer aware about the product, its benefits and role in preventative healthcare as well as medical treatment.
- Industry players are also undertaking several initiatives on their own, including a renewed focus on improved quality standards of the product, enhanced transparency, and competitive pricing for innovations.
- This will give a boost to Nutraceuticals in the health and wellness segment. The nutraceutical market already occupies 67% share beating the pharma dominated supplement market.

Source: Publication by *Ministry of food processing Indutsry*

<https://www.foodprocessingindia.gov.in/newsletter/emailer/two>

Sanitary Pad Market in India

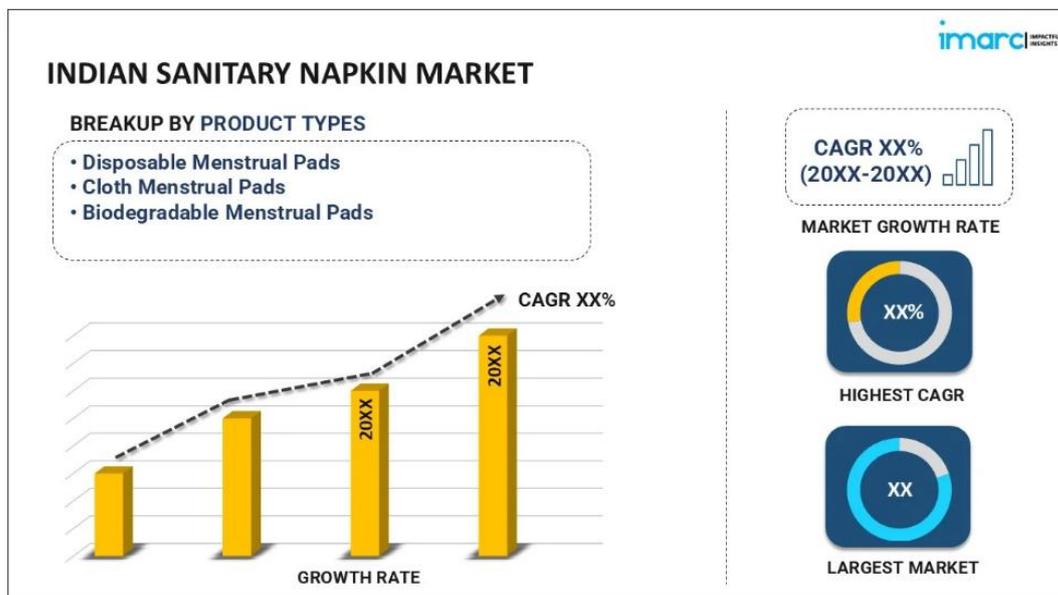
Sanitary napkins, or sanitary pads, are thin pads made of absorbent materials. They play a vital role in feminine hygiene as they soak the menstrual fluid during menstruation. A sanitary napkin contains four functional components including fluid acquisition layer, distribution component, absorbent structure and liquid impervious membrane. These napkins can be found in different sizes and shapes with varying capacities of absorption. In India, the increasing awareness about menstrual hygiene is supporting the demand for sanitary napkins. Moreover, the utilization of high-quality and environment-friendly raw materials to produce these pads is further providing an impetus to the growth of the market.

Over the past few years, the Government of India has started partnering with several private entities and non-governmental organizations to take initiatives for popularizing the use of sanitary napkins, particularly among the

underprivileged and rural women. Some of these initiatives include the Reproductive and Child Health Program, Eco Femme and My Pad. In addition to this, an expansion in the female workforce has led to improved decision-making and purchasing power among women. Owing to this, manufacturers can directly target the female audience and, in turn, influence their purchasing behavior. Technological advances, such as superabsorbent fiber technology, have further enabled manufacturers to focus on introducing high absorption capability in sanitary napkins. Other than this, they are also introducing organic and chemical-free variants, which is having a positive impact on market growth.

Breakup by Product Type:

- Disposable Menstrual Pads
- Cloth Menstrual Pads
- Biodegradable Menstrual Pads



At present, disposable menstrual pads represent the most popular product type. The demand for these pads can be primarily attributed to the awareness campaigns led by the Central and State Governments, along with various NGOs and multinational companies.

Breakup by Distribution Channel:

- Supermarkets and Hypermarkets
- Pharmacies
- Convenience Stores
- Online
- Specialty Stores
- Others

The market is segmented on the basis of the distribution channel, wherein supermarkets and hypermarkets represent the largest segment, holding the majority of the total market share.

Regional Insights:

- Maharashtra
- Delhi-NCR
- Tamil Nadu
- Karnataka
- Gujarat
- Others

On the geographical front, Maharashtra represents the biggest sanitary napkin market in India, holding the majority of the market share.

Competitive Landscape:

The nature of the market is concentrated with the presence of few manufacturers who compete in terms of prices, quality and innovation. Some of the leading players operating in the market are:

- P&G
- Johnson & Johnson
- Unicharm
- Emami, Ltd.
- Mankind
- Kimberly-Clark
- Edgewell

Market Overview:

The Indian sanitary napkin market size reached US\$ 758.5 Million in 2023. Looking forward, IMARC Group expects the market to reach US\$ 1,659.6 Million by 2032, exhibiting a growth rate (CAGR) of 8.8% during 2024-2032.

Report Attribute	Key Statistics
Base Year	2023
Forecast Years	2024-2032
Historical Years	2018-2023
Market Size in 2023	US\$ 758.5 Million
Market Forecast in 2032	US\$ 1,659.6 Million
Market Growth Rate 2024-2032	8.8%

Source: <https://www.imarcgroup.com/indian-sanitary-napkin-market>

OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read “Forward Looking Statements” on page 17 of this Draft Prospectus for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our Company’s strengths and its ability to successfully implement its business strategies may be affected by various factors that have an influence on its operations, or on the industry segment in which our Company operates, which may have been disclosed in “Risk Factors” on page 27. This section should be read in conjunction with such risk factors.

Unless otherwise indicated, industry and market data included in this section has been derived from the industry sources. This section should be read in conjunction with the “Industry Overview” on page 102 of this Draft Prospectus.

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our “Restated Financial Information”, included in this Draft Prospectus on page 196.

OVERVIEW

Our Company was originally incorporated on June 05, 2023 as ‘Medistep Healthcare Limited’, as a Public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by Registrar of Companies, Gujarat. The company operates in the pharmaceutical industry and is involved in the business of trading of pharmaceutical products, intimate care and hygiene products, surgical products & nutraceutical products and manufacturing of intimate and nutraceutical products. The company has strategically expanded its operations by acquiring the business of M/s MG Pharma, a proprietorship concern owned by one of our promoter, Ms. Prajapati Hetalben Girdharilal. This acquisition was executed through a business transfer agreement dated July 02, 2023. Following the agreement, the business of the sole proprietorship was integrated into Medistep Healthcare Limited. The Corporate Identification Number of Our Company is U21009GJ2023PLC141841.

M/s MG Pharma was incorporated on July 05, 2018 for carrying on the business of trading and distribution of pharmaceutical products, intimate care and hygiene products, surgical products & equipment, Nutraceutical products. On July 02, 2023, Medistep Healthcare Limited acquired the entire operational business of M/s MG Pharma including its Asset and Liabilities as a going concern. The proprietorship was solely owned by the promoter, Ms. Prajapati Hetalben Girdharilal.

On January 2024, the company started the manufacturing of intimate product (sanitary pads) and nutraceutical product (Energy powder).

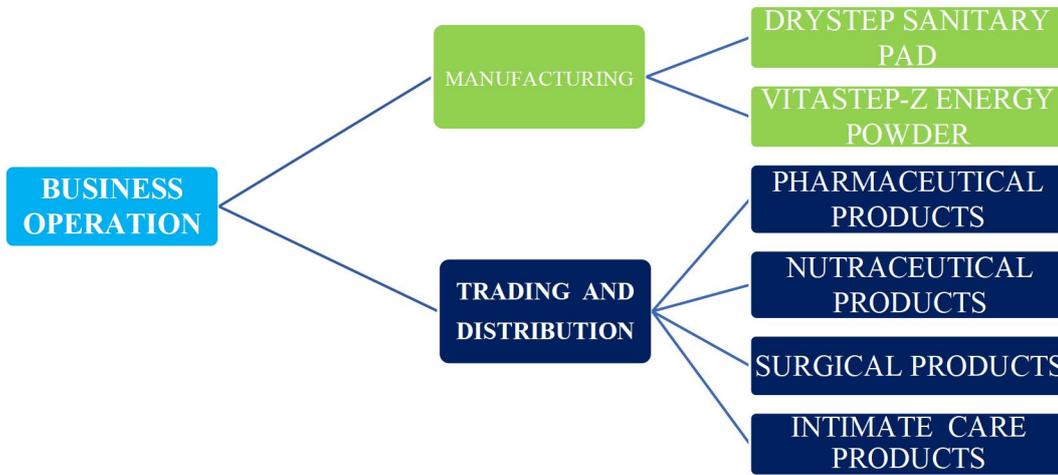
We are led by a professional and experienced management team. Our Promoters **Mr. Girdhari Lal Prajapat, Mr. Dabhi Vipul Gobarbhai** and **Ms. Prajapati Hetalben Girdharilal**, all have extensive experience in the Indian pharmaceutical industry. our Promoters have been the pillars of our Company’s growth and have built a strong value system for our Company. With their enriching experience and progressive thinking, we are planning to grow in the pharmaceutical Industry.

BUSINESS MODEL

Medistep Healthcare Limited is a Pharmaceutical Company that has carved a niche in the Healthcare Industry through its in manufacturing Sanitary pads, Energy powder and trading a diverse range of pharmaceutical products, Nutraceutical products, Intimate Products and surgical products through distribution network. We believe that our promoter’s experience and their understanding of the pharmaceutical business will enable us to continue to take advantage of both current and future market opportunities. Our promoters is actively involved in the business with continuous personal attention.

Our Core business activity is divided in following category:

- a) Manufacturing of sanitary pad and energy powder
- b) Trading & Distribution of pharmaceutical, nutraceutical, surgical and intimate Care Products.



Our Company is consistent in supplying of quality products round the year. Our products comply with requisite safety standards. We are constantly striving to expand our line of products and we are always looking for complementary products that will add to our range of products.

SEGMENT WISE REVENUE CONTRIBUTION

The Share of revenue through manufacturing and trading segment are as under:

(Amount in Lakhs)

Industry Segment	30 th June 2024	% of Revenue from Operation	March 31, 2024	% of Revenue from Operation	March 31, 2023	% of Revenue from Operation	March 31, 2022	% of Revenue from Operation
Manufacturing	328.74	29.22%	126.01	3.23%	Nil	0.00%	Nil	0.00%
Trading	796.33	70.78%	3,781.18	96.77%	2764.68	100.00%	762.44	100.00%

Note: The manufacturing of DRYSTEP sanitary pads and VITASTEP energy powder commenced in January 2024. Prior to this, the company's revenue was solely generated through the trading & distribution of Pharmaceutical Products, Nutraceutical Products, Intimate care & Hygiene products and Surgical products and Instruments.

PRODUCT WISE REVENUE BIFURCATION

(Amt in Lakhs)

S. No.	Name of Product	For Stub Period		FY 23-24		FY 22-23		FY 21-22	
		Rs.	%	Rs.	%	Rs.	%	Rs.	%
Manufacturing									
1	Intimate Care & Hygeine Products (Drystep Sanitary	258.87	23.01	103.38	2.65	0	0	0	0

	Pad)								
2	Nutraceuticals Products (Vitastep-Z Energy Powder)	69.87	6.21	22.63	0.58	0	0	0	0
	Total (A)	328.74	29.22	126.01	3.23	0	0	0	0
Trading									
3	Intimate Care & Hygiene Products	772.87	68.70	3,397.21	86.95	425.59	15.39	538.72	70.66
4	Pharmaceuticals Products	6.74	0.60	301.20	7.71	168.77	6.10	183.36	24.05
5	Nutraceuticals Products	15.73	1.40	3.77	0.10	20.61	0.75	10.40	1.36
6	Surgical Products & Instruments	0.85	0.08	75.20	1.92	2,147.53	77.68	24.98	3.28
7	Over the Counter (OTC) Products	0.14	0.00	3.80	0.09	2.18	0.08	4.98	0.65
	Total (B)	796.33	70.78	3781.18	96.77	2764.68	100.00	762.44	100.00
	Total (A+B)	1125.07	100.00	3907.19	100.00	2764.68	100.00	762.44	100.00

OUR COMPANY'S VISION AND MISSION

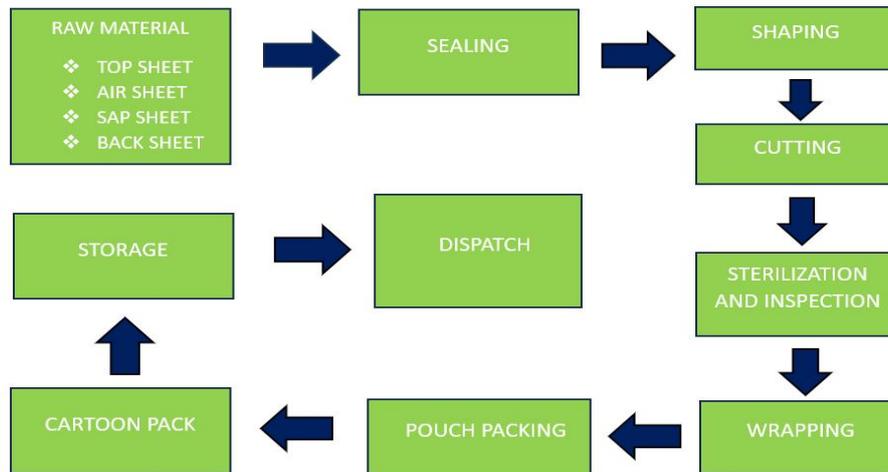
VISION	MISSION
<ul style="list-style-type: none"> ❖ To emerge as a preferred pharmaceutical company in India with leadership in quality, market share and Profit by inculcating a high-performance culture. ❖ To become a Global leader in Providing affordable and accessible Healthcare solution, Improving the Well-being of communities worldwide. 	<ul style="list-style-type: none"> ❖ To achieve INR 250 Cr turnover from business operations in by end of FY 2030. ❖ To keep safe the reputation of our curtness for quality and safety. ❖ To set a new benchmark in quality and services.

PRODUCT DETAILS AND MANUFACTURING PROCESS

DRYSTEP SANITARY PAD

Product Name	DRYSTEP Sanitary Pad
Image	
Product Content	Consist of: <ul style="list-style-type: none"> • Top Sheet (Non-woven fabric) • Air Sheet (Air through sheet) • Sap Sheet (Super Absorbent Polymer) • Back Sheet (Polyethylene with adhesives)

MANUFACTURING PROCESS



Manufacturing process for sanitary pads at our company is designed to prioritize efficiency, quality, and hygiene, adhering to industry best practices and standards. The process is outlined below:

1. **Raw Material Sourcing:** We procure raw materials from suppliers, including Super Absorbent Polymer (SAP), non-woven fabric, polyethylene, and medical-grade adhesives from suppliers to ensure superior product performance.
2. **Absorbent Core Formation:** The absorbent core, which is the key functional component of the sanitary pad, is created by with SAP Sheet. This ensures optimal absorption and moisture retention capabilities.
3. **Layering and Assembly:** The sanitary pads are constructed by layering the non-woven top sheet, absorbent core, and polyethylene back sheet. These layers are critical for providing comfort, absorption, and leakage protection.
4. **Heat Sealing and Pressing:** The assembled layers undergo hot pressing and heat sealing to ensure the integrity and durability of the product.
5. **Adhesive Application:** Adhesive strips are applied to the back of the pad and the wings (if applicable) to provide secure placement during use.
6. **Cutting and Shaping:** The pads are cut to precise shapes and sizes based on product specifications. The addition of wings and other structural elements is done at this stage.
7. **Sterilization and Inspection:** After cutting and shaping process, sanitary pads to be scan through UV rays and also manually checked by the manpower.
8. **Packaging:** Each sanitary pad is individually wrapped for hygiene and convenience, followed by secondary packaging into consumer-friendly formats, ready for retail distribution.
9. **Storage Area:** Finished products are stored in our storage area, ready for dispatch through our established distribution channels.

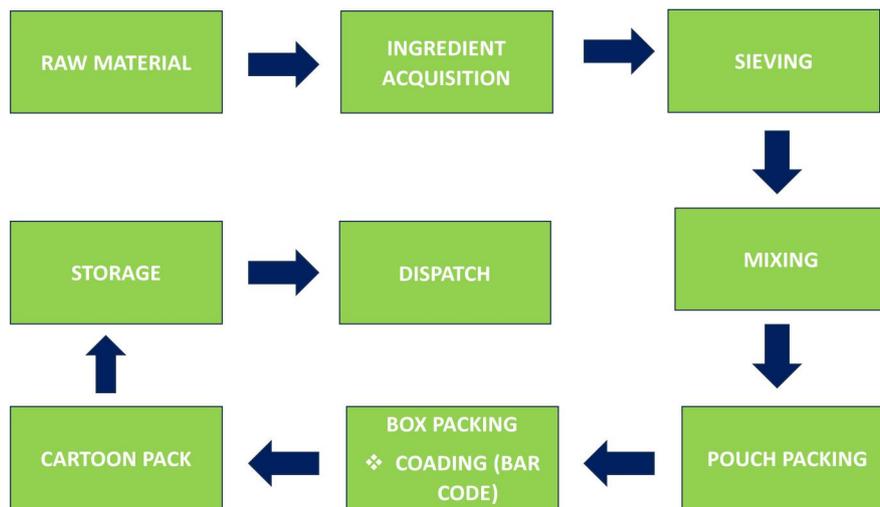
VITASTEP Z (ENERGY POWDER)

VITASTEP Z POWDER

Product Name	VITASTEP Z powder
Image	

Product Content	<ul style="list-style-type: none"> • Sucrose (14.0 Gm) + Zinc Sulphate (32.5 Mg) + Vitamin- C / Ascorbic Acid (50.0 Mg) + Anhydrous Dextrose (17.5 Gm) • PPT Silica, Orange flavour and Sunset Yellow Colour
Intended Use	<ul style="list-style-type: none"> • Helps replenish electrolytes and energy levels. • Makes you energised and active round the clock. • Helps to prevent dehydration and keeps you energetic.
Dosage Form	Powder

MANUFACTURING PROCESS



The following steps outline the key stages in the manufacturing process:

1. **Raw Material Acquisition:** We procure raw materials from suppliers, ensuring that all ingredients meet strict quality and regulatory requirements. This step is critical to maintaining the efficacy and safety of VITASTEP Energy Powder.
2. **Sieving:** The acquired raw materials are sieved to remove any impurities and achieve a uniform particle size. This process ensures smooth blending and consistency in the final product.
3. **Mixing:** After sieving, the ingredients are mixed in precise proportions to create a homogeneous blend. This ensures that every batch of VITASTEP Energy Powder meets our established formulation standards and delivers consistent quality to consumers.
4. **Pouch Packing:** The mixed product is packed into individual pouches. Each pouch is sealed to preserve freshness and hygiene, ensuring that the product remains safe and effective during its shelf life.
5. **Pouch Inspection:** Every pouch undergoes a quality check to ensure accurate weight, proper sealing, and compliance with product specifications before proceeding to the next stage.
6. **Box Packing:** The individual pouches are packed into boxes for additional protection during storage and distribution.
7. **Carton Packing:** For bulk distribution, these boxes are placed in cartons, ensuring safe handling and secure transportation.
8. **Storage Area:** The final packaged cartons are stored in a storage area, until they are dispatched to retailers and distributors.

TRADING OF DISTRIBUTION OF PRODUCTS

The pharmaceutical industry requires a complex and efficient distribution model to ensure that patients have access to the medications they need. The pharma distribution model involves several key players, including manufacturers, wholesalers, distributors, pharmacies, hospitals, and other healthcare providers. Each player in the distribution chain has a specific role to play in ensuring that medications are delivered safely and efficiently.

We primarily cater to the western region of India, particularly in the cities of Gujarat. Our business involves trading pharmaceutical products by acting as a supply chain consolidator, bridging the gap between distributors and retail pharmacies, medical practitioners, and other healthcare facilities. Additionally, we act as a distributor/stockiest between manufacturers/distributors and the wholesalers/retailers for other than pharmaceutical products i.e. Nutraceutical Products, Intimate care & Hygiene products and Surgical products and Instruments. Our deliverables include logistics, inventory management, credit and delivery at cost-effective prices to the customers. These are critical services that help pharmaceutical manufacturers to efficiently reach their target customers and improve their sales.

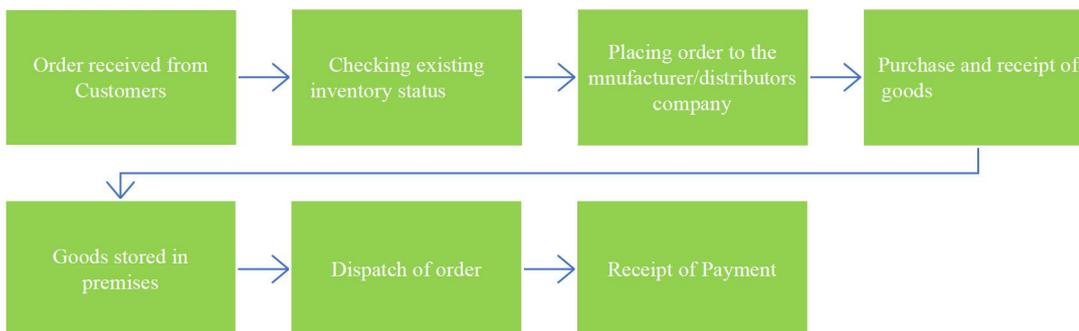
As a stockist, our company maintains a certain level of inventory of various pharmaceutical companies in our office. This enables our company to respond quickly to the customer demand. Our company caters to B2B. In the B2B segment, our customers are the retail pharmacy stores, wholesalers and medical practitioners who purchase pharmaceutical products from us in bulk quantities for resale.

Note: - Medistep Healthcare Limited operates in both pharmaceutical and non-pharmaceutical product segments. For pharmaceutical products, the company procures items from distributors of pharmaceutical companies and supplies them to retail pharmacies, medical practitioners, and other healthcare facilities. For non-pharmaceutical products, the company sources directly from manufacturers/distributors and distributes them to the same clientele, including wholesalers, retail pharmacies, medical practitioners, and healthcare facilities.

Pharmaceutical products: - All types of medicines like Antibiotics, Vaccine, injection and Syrup etc.

Non-pharmaceutical products: - Nutraceutical Products, Intimate care & Hygiene products and Surgical products and Instruments

Key Business Process



- Order received from customers –We receive various orders from our customers i.e., wholesalers, retail pharmacy stores, medical practitioners, and other healthcare facilities in various forms such as emails, phone calls, in person visits.

- Checking existing inventory status -Upon receiving an orders, we check our existing inventory status. This involves verifying whether the requested product is currently in stock in our storage area or not. If the product is available in our inventory, we can proceed with the order processing and delivery. However, if the requested product is not available in our inventory, then we have to order from the manufacturer/ distributors.
- Placing order to the manufacturer/ distributors -Based on the inventory status and existing and future demand of the product, we place the order with the manufacturer/ distributors.
- Purchase and receipt of goods -Based on the order placed with the manufacturer/ distributors, purchase order is given, and products are received.
- Goods stored in our premises –Products received from the manufacturer/ distributors by us are then stored in our premises.
- Dispatch of order - Products are then dispatched from our storage area to the customers i.e., wholesalers, retail pharmacy stores, medical practitioners, and other healthcare facilities, etc. according to the order received.
- Receipt of payment -Upon receipt of the products / confirmation of the dispatch, the customer issues the final payment over a pre-decided period of time depending on the credit period extended to such customer.

RAW MATERIALS

Our company has sourced the raw materials from Domestic sources. The list of raw materials is as follows: -

SANITARY PAD (DRYSTEP PAD)

Name of Raw material
Top Sheet (Non-woven fabric)
Air Sheet (Air through sheet)
Sap Sheet (Super Absorbent Polymer)
Back Sheet (Polyethylene with adhesives)
Pouch of Sanitary Pad
Boxes

ENERGY POWDER (VITASTEP Z POWDER)

Name of Raw material
Dextrose Monohydrate
Essence Orange Dry Mix Powder
Zinc Sulphate Monohydrate
Ascorbic Acid (Vit-C)
Tartric Acid
Sunset Yellow Colour
Ppt Silica
Sucrose (Sugar)
Silver Foil
Outer Pouch
Boxes

TRADING AND DISTRIBUTION PRODUCT

Pharmaceuticals Products

S. No.	Products
1.	Diclofenac AQ Injection
2.	Paracetamol Phenylephrine Hydrochloride Cetirizine Dihydrochloride Suspension
3.	Diclofenac + Paracetamol + Chlorzexazone Tab
4.	Rabeprazole DSR Capsule
5.	Fluconazole 200 Tab
6.	DNS 500ML
7.	NS 100ML
8.	NS 500ML
9.	Aceclofenac + Paracetamol + Serratiopeptidase Tab
10.	Montelukast and Levocetirizine Tab
11.	Ceftriaxone 1 GM INJ
12.	Cefoperazone Sulbactam 1.5 GM INJ
13.	Pantaprazole 40MG INJ
14.	RL 500ML IV
15.	Dextromethorphan + Phenylephrine + CPM 100ML SYP
16.	Ondansetron INJ
17.	Pantaprazole DSR CAP
18.	Amoxicilline and Potassium Clavulanate 625 TAB
19.	Amoxicilline And Potassium Clavulanate SYP
20.	Metronidazole 100ML IV
21.	Pantoprazole 40MG TAB
22.	Artesunate 60MG INJ
23.	Diclofenac GEL

Nutraceutical Products

S. No.	Products
1.	Vitastep Z Powder
2.	Multivitamin tablet
3.	Iron with Zinc Tab
4.	Iron Tonic 200ML
5.	Multivitamin Tonic
6.	Multivitamin Cap
7.	Protein Powder
8.	Protein Women Powder
9.	Cholecalciferol D3 Soft Cap
10.	Vit B12 with D3 Tab
11.	Calcium D3 Tab

Intimate Care & Hygiene Products

S. No.	Products
1	Santary Cotton Pad
2	Sanitary Pads
3	Ethinyl Estradiol and Levonorgestrel Tab
4	Drystep Pads
5	Intimate Wash

Surgical Products & Instruments

S. No.	Products
1.	Syringe 3ML Syringe 5ML Syringe 10ML
2.	I.V.SET
3.	Needle All Type
4.	Nebulizer Kit
5.	Scalp Vein all type
6.	I. V. Canula all type
7.	Canfix
8.	Disposable Mask
9.	Oxygen Mask
10.	High Conc Mask
11.	Venti Circuit

GEOGRAPHICAL REVENUE BIFURCATION

(Amount in lakhs)

S. No	State	FY 21-22	%	FY 22-23	%	FY 23-24	%	FY 24-25 Till June	%
1.	Gujarat	762.34	99.99%	2,763.14	99.94%	3905.79	99.96%	1125.07	100%
2.	Rajasthan	0.10	0.01%	1.53	0.06%	1.40	0.04%	-	0.00
	Total	762.44	100%	2,764.68	100%	3,907.19	100%	1,125.07	100%

Top 10 Customer

From 1 April 2024 to 30 June 2024

(Amt. in lakhs)

Sr. No.	Name	Sales	% of sales
1	Customer A	281.89	25.06%
2	Customer B	147.08	13.07%
3	Customer C	116.41	10.35%
4	Customer D	104.23	9.26%
5	Customer E	95.12	8.45%

6	Customer F	84.1	7.47%
7	Customer G	76.37	6.79%
8	Customer H	76.15	6.77%
9	Customer I	66.13	5.88%
10	Customer J	62.13	5.52%
	TOTAL	1109.61	98.62%*

*Percentage of revenue from operations

FY 2023-24

(Amt. in lakhs)

Sr. No.	Name	Sales	% of sales
1	Customer K	640.24	16.39%
2	Customer L	578.71	14.81%
3	Customer A	458.42	11.73%
4	Customer G	245.51	6.28%
5	Customer D	182.01	4.66%
6	Customer C	150.15	3.84%
7	Customer F	135.81	3.48%
8	Customer J	98.67	2.53%
9	Customer M	95.52	2.44%
10	Customer E	86.09	2.20%
	TOTAL	2671.129	68.36%*

*Percentage of revenue from operations

FY 2022-23

(Amt. in lakhs)

Sr. No.	Name	Sales	% of sales
1	Customer L	1106.45	40.02%
2	Customer G	758.34	27.43%
3	Customer A	470.65	17.02%
4	Customer K	249.41	9.02%
5	Customer J	78.95	2.86%
6	Customer N	7.26	0.26%
7	Customer O	6.94	0.25%
8	Customer P	5.00	0.18%
9	Customer Q	4.00	0.14%
10	Customer R	2.91	0.11%
	TOTAL	2689.91	97.29%*

*Percentage of revenue from operations

FY 2021-22

(Amt. in lakhs)

Sr. No.	Name	Sales	% of sales
1	Customer K	303.2	39.77%
2	Customer A	238.11	31.23%
3	Customer J	19.75	2.59%

4	Customer O	10.16	1.33%
5	Customer S	9.73	1.28%
6	Customer P	9.54	1.25%
7	Customer T	9.26	1.21%
8	Customer U	9.04	1.19%
9	Customer V	6.97	0.91%
10	Customer L	6.56	0.86%
	TOTAL	622.32	81.62%*

*Percentage of revenue from operations

Top 10 Suppliers

For the Period from 1 April 2024 to 30 June 2024

(Amt. in lakhs)			
S. No.	Party	Amount	% of total purchases
1	Supplier Q	542.90	58.65%
2	Supplier T	176.87	19.11%
3	Supplier U	39.20	4.24%
4	Supplier X	41.06	4.44%
5	Supplier Y	31.32	3.38%
6	Supplier Z	29.85	3.22%
7	Supplier S	23.37	2.52%
8	Supplier AA	13.48	1.46%
9	Supplier R	12.09	1.31%
10	Supplier AB	7.09	0.77%
	TOTAL	917.24	99.10%

FY 2023-24

(Amt. in lakhs)			
S.No.	Party	Amount	% of total purchases
1	Supplier Q	1471.58	41.42%
2	Supplier R	709.29	19.96%
3	Supplier K	563.19	15.85%
4	Supplier S	359.49	10.12%
5	Supplier T	189.53	5.33%
6	Supplier U	50.65	1.43%
7	Supplier L	14.26	0.40%
8	Supplier B	11.51	0.32%
9	Supplier V	10.10	0.28%
10	Supplier W	7.57	0.21%
	TOTAL	3387.17	95.32%

FY 2022-23

(Amt. in lakhs)

S.No.	Party	Amount	% of total purchases
1	Supplier K	2197.42	83.78%
2	Supplier F	12.29	0.47%
3	Supplier L	8.46	0.32%
4	Supplier M	8.12	0.31%
5	Supplier N	8.69	0.33%
6	Supplier O	8.45	0.32%
7	Supplier P	7.54	0.29%
8	Supplier C	7.43	0.28%
9	Supplier B	7.12	0.27%
10	Supplier E	6.91	0.26%
TOTAL		2272.44	86.63%

FY 2021-22

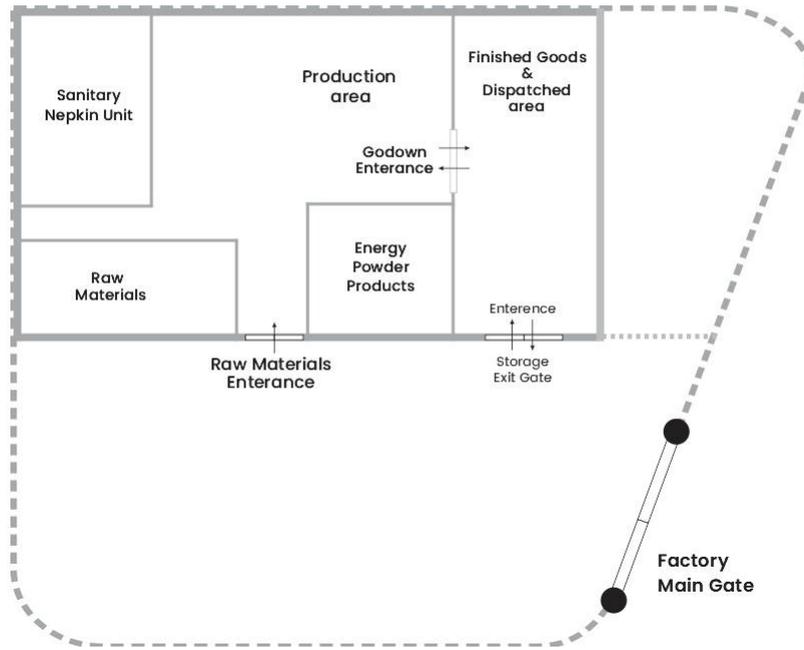
(Amt. in lakhs)

S.No.	Party	Amount	% of total purchases
1	Supplier A	15.49	2.14%
2	Supplier B	14.03	1.94%
3	Supplier C	13.04	1.80%
4	Supplier D	12.00	1.66%
5	Supplier E	11.29	1.56%
6	Supplier F	9.25	1.28%
7	Supplier G	9.95	1.37%
8	Supplier H	9.90	1.37%
9	Supplier I	9.90	1.37%
10	Supplier J	9.88	1.36%
TOTAL		114.73	15.85%

OUR MANUFACTURING FACILITY

LOCATION	AREA	PURPOSE
Survey No. 298, Near Radio Station, Bidaj Gam, Bareja, Kheda, Gujarat – 387120	371.61 Sq. mtr	Manufacturing Unit

Manufacturing Unit Layout





OUR BUSINESS STRATEGIES

For the nutraceutical and sanitary pads industry focusing on business strategy involves several key elements to ensure sustainable growth and success. Here are some strategic considerations.

Market Analysis and Targeting: A thorough understanding of customer needs and preferences is essential, requiring in-depth market research to identify consumer habits, preferences, and demographic profiles. Staying connected with distributors and stockists provides valuable insights into current product demand and specific customer needs. This data is leveraged to refine target markets and develop tailored marketing campaigns that address customer expectations effectively. By aligning product offerings with market demand, the business can cater to niche markets more efficiently and expand its reach.

Product Development and Innovation: Focus on innovation by introducing new formulas, ingredients, or delivery methods like capsules, powders, or drinks. We also work with distributors to identify trends, like adding new flavors to energy powders or developing tablets for in-demand multivitamins.

Quality and Regulatory Compliance: Stick to strict quality standards and legal requirements for ingredients, labeling, and health claims. For example, we use UV detection to ensure product quality and manually inspect every sanitary pad for damage or sealing issues.

Distribution and Sales Channels: Build strong distribution channels to provide products to customers efficiently. We connect directly with distributors and stockists, who supply to retailers, health stores, or sell depending on the product.

Customer satisfaction: - The business of our Company is customer oriented, and we always strive to maintain good relationships with the customers. Our Company’s marketing team approaches existing customers for their feedback and based on their verbally feedback any changes in the products if required are carried out. Our Company effective follow-ups with customers ensures that our customers are satisfied with the product and do not have any complaints.

Sustainability and Ethical Practices: Many customers are care about eco-friendly and ethical practices. We focus on using sustainable packaging, responsibly sourced ingredients, and being transparent in our business practices.

Competitive Analysis: Study competitors to understand their strengths and weaknesses. Create strategies to stand out by analyzing product popularity, pricing, quality, and packaging through verbally feedback from market representatives and key team members & distributors/stockiest.

OUR COMPETITIVE STRENGTHS

1. Experienced Promoters and Management Team: -

Our management team is experienced in the industry in which we are operating and has been responsible for the growth of our operations and financial performance. Our Promoters lead the company with their vision. They have an adequate experience in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. The strength and entrepreneurial vision of our Promoters and management have been instrumental in driving our growth and implementing our strategies. Our motivated team of management complement each other to enable us to deliver high levels of clients.

2. Scalable Business Model

Our business model focuses on customers and is driven by orders. We maximize the use of our current resources to ensure quality supply and achieve cost savings through economies of scale. We grow by developing new products and entering new markets, meeting customer needs, leveraging marketing expertise, and maintaining consistent quality. We believe this makes our business model scalable.

3. Wide range of Products

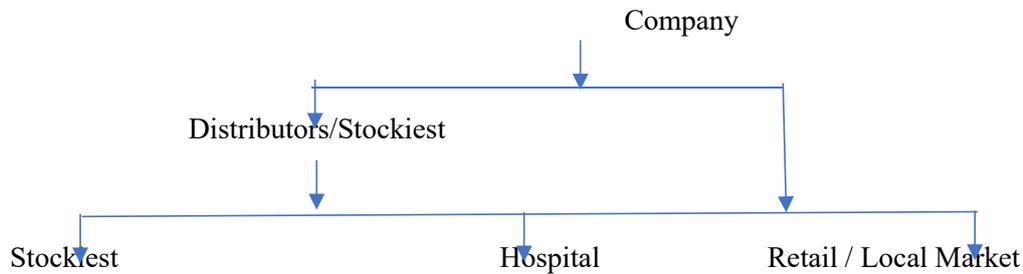
We offer a range of products, including the trading of pharmaceutical and healthcare items, as well as the manufacturing of sanitary pads under the brand **DRYSTEP** and energy powders, **VITASTEP Z**.

SWOT ANALYSIS	
STRENGTHS	WEAKNESS
<ul style="list-style-type: none"> ❖ Strong distribution networks ❖ Low-cost products ❖ Direct contact with Retail as well as distributors 	<ul style="list-style-type: none"> ❖ Competition in market ❖ Limited brand recognition in a crowded market ❖ Dependency on raw material sourcing
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ❖ Growing awareness of Women’s Health issues ❖ Contracts with NGO and Health Organisation ❖ Increasing market demands 	<ul style="list-style-type: none"> ❖ Intense competition from established brands ❖ Fluctuating raw material prices ❖ Changes in consumer preference

MARKETING AND DISTRIBUTION

Our marketing strategy involves several key points:

- We identify the target potential users and strategy of our competitors.
- We work through distribution channel, as per below diagram:



- Direct contact to retail customers and Health clinic through our marketing team.
- Regular meeting to distributors of company by the directors of company.
- Free sample distribution in community center or PHC center.

PLACE OF BUSINESS

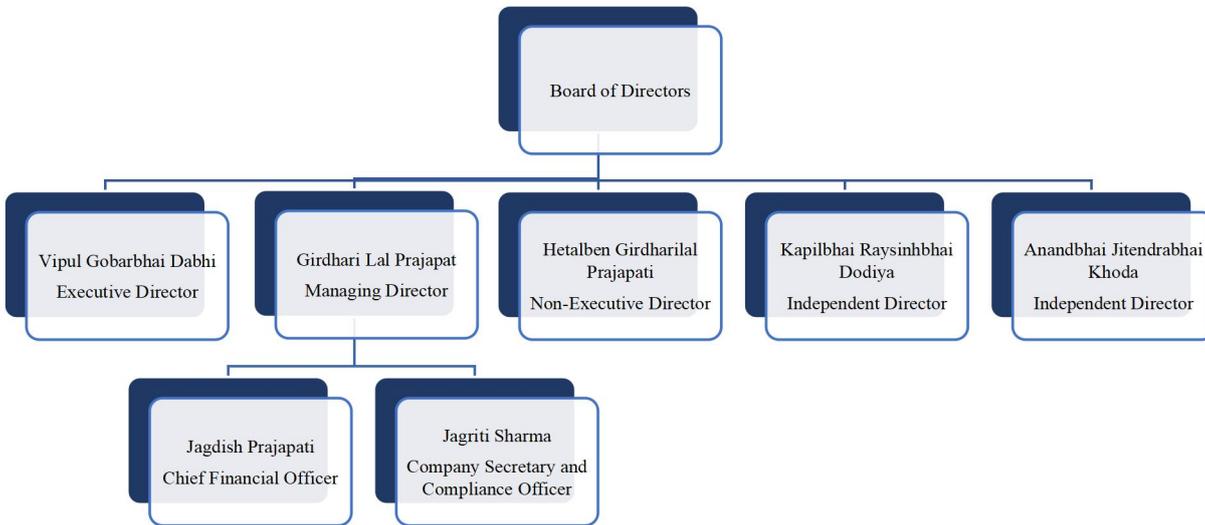
Location	Lease/ Owned	Lease Tenure	Lease Rent	Usage Purpose
05, Survey No. -245/B, Plot-19, T.P.S. 56, Free Way Trade Center, NR. A-one Hotel, N.H.-8, Narolgam Narol, Ahmedabad, Daskroi, Gujarat-382405	Lease	5 years from 02.07.2024	14,000/-	Registered Office
Survey No. 245/B T.P. Scheme No. 56 Final Plot No. 19, freeway trade centre, 2nd floor, office no. 215, Narol, Ahmedabad – 382405	Lease	5 years from 01.07.2023	18,000/-	Operational Office
Survey No. 298, Near Radio Station, Bidaj Gam, Bareja, Kheda, Gujarat - 387 120	Lease	7 years from 01.11.2023	15,000/-	Manufacturing Unit

For more details, please refer page no.27 under chapter titled “**Risk Factor**” of the Draft Prospectus of Company.

The Lessor, as detailed above, is not related to the Company, i.e., Medistep Healthcare Limited, nor is it related to the promoter or promoter group of the Company.

There is no conflict of interest between the lessor of the immovable properties, (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel, Directors and subsidiaries / Group Company and its directors.

ORGANISATIONAL STRUCTURE



PLANT AND MACHINERY

The list of machines that the company possesses as on the date of this Draft Prospectus. All the Machines are owned by the Company in the name of Company.

- SANITARY PAD MAKING MACHINE**



Sanitary pad making machine with UV	
Basis	Description
Speed	110PC/MIN
Power	230 V
Weight	950 KG
Phase	Single
Automation Grade	Automatic
Machine Material	Mild Steel
Operational Mode	Control Panel

Air Pressure	No
Dimension	15X6X2.5 FEETS
UV	Yes

- **ENERGY POWDER PRODUCTION**

1. **Ribbon Blender**



- A ribbon blender is a versatile industrial mixer used for blending dry powders, granules, and other solid material. It consists of a trough-shaped container with a helical ribbon agitator that rotate inside.
- These are commonly used to mix powder thoroughly. They ensure uniform blending of ingredients, which are crucial for products.

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Ribbon Blender	
Basis	Description
Size	1500 X 800 X 620
Purpose	These Are Commonly Used to Mix Powder Thoroughly. They Ensure Uniform Blending of Ingredients, Which Are Crucial for Products.
U Body	3 mm Thick Sheet
Side Plate	3 mm Thick Sheet
Top Cover	1.5 mm Thick Sheet
Rotor Shaft	55 mm Di meter
Arms	19 mm Dia
Outer Ribbons	30X8 mm
Inner Ribbons	25X6 mm
Discharge	Dia 6” Size – 1 No
Discharge Height	750 mm
Structure	M.S Rectangular Pipe 80x40 mm
Couple	Chain Type
Bearing	Standard Make
Buffing	Matt Finish
Color	Auto Spray Paint
Require Motor	5 H.P 1440 RPM
Gear Box	Helical Gear Box
Machine RPM	24 – 30

2. Vibro Screen



- It separates materials by particle size.
- It utilizes vibration to facilitate the separation process.

Vibro Screen	
Basis	Description
Purpose	Used for Particle Separation, Grinding, Sizing and Other Screening Application Contributing to Efficient and Effective Material Handling Processes.
MOC	Contact Part S.S. 304 & Non-Contact Part M.S.
Size	24” (2 Feet)
Deck	Single
Screen	Stainless steel 304

Base	Mild Steel
Motor	0.5 H.P. Three Phase
Color	Auto Paint

3. Mechanical FFS Cup Filler



Pouch Packing Machine

Basis	Description
Machine Name	Mechanical FFS Cup Filler
Purpose	Pouch Packing Machine is a type of packaging equipment to Fill and Seal Pouches of Energy Powder
Filling System	Cup filler
Filling Accuracy	+ /-0.1
Sealing Type	Center / Four Sides, three side seal
Film Size	160 mm-350mm Width 140mm-290mm Length
Speed capacity	40 to 80 pouch per minute (Depend on Product)
Machine Size	780 x650x1950mm (LxWxH)
Optional	Batch coding device
Net weight	325Kgs. Approx

4. Coading Machine



Coading Machine

Coading Machine	
Basis	Description
Purpose	Used for Printing Information Such as Batch Code, Expiry Dates, MRP Of Packaging Products.
Print Speed	120 Impression per minute
Usage/Application	Upto 5 lines batch code
Automation Grade	Automatic
Voltage	220v
Ink Color	Black/blue

5. Dehumidifier



A dehumidifier machine is an appliance designed to reduce and maintain the humidity level in an enclosed space

DEHUMIDIFIER

DEHUMIDIFIER	
Basis	Description
Purpose	Control the moisture in air and humidity which make the powder more fresh.
Coverage Area (Non A.C.)	1600 Ft / 16000 ft ³ / 453m ³
Coverage Area (AC W/OAHU)	800 Ft / 8000 ft ³ / 226m ³
Body Material	SS-304
Humidity Control & Display	Up to 40%
Humidity Control*	Up to 30 %

Water Collection Tank	22 Litre
Compressor& Watt	Reciprocating, 2275Watt
Refrigerant	R-407
Refrigerant KW	7 KW
Air Flow (Axial Fan)	2600 m3/hr
Air Filter	20Micron
Noise Level	82 Db
Direct Drain Facility	Yes
Castor Wheel	Yes
Dimension (W x D x H) inch	21.5 x20 x 38.5

6. Rotary tablet press machine/ tablet press/ tablet compression machine



Overall, tablet rotary machines are versatile and essential equipment in industries that require the mass production of tablets. They offer efficient and precise tablet compression capabilities, contributing to the manufacturing of high-quality tablet products

Rotary tablet press machine	
Basis	Description
Purpose	Used to compress powder or granules material into tablet
Number of Station	16
Type of Tooling	D
Output Per Hours	45000
Main Pressure Max	10 TON
Max Tab Dia.	23MM
Max Depth of Fill.	20MM
Main Electric Motor	3HP/1440 RPM/3PH
Overall Dimension Lxwxh	950X1000X1800
Net Weight KG	950 KG

7. Tray Dryer



A tray dryer is a type of drying equipment used to remove moisture from solid materials or products. It typically consists of a cabinet or chamber containing multiple trays or shelves on which the material to be dried is placed.

TRAY DRYER	
Basis	Description
Material	Stainless steel
Automation Grade	Automatic
Purpose	Control Moisture in raw material
Heating Media	Electric
Number Of Trays	24
Max Temp.	300
Voltage	415
Control	Digital

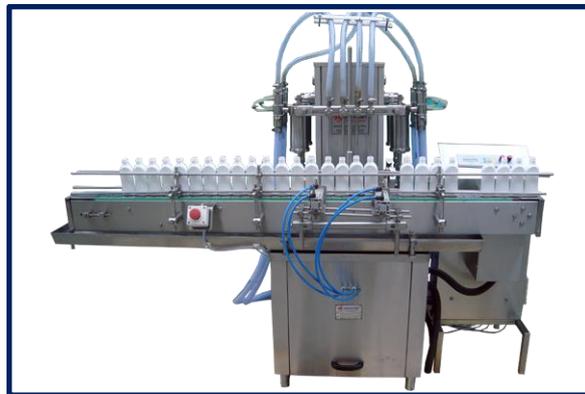
8. High speed tablet rotary machine



A high-speed tablet rotary machine is an advanced type of tablet press or tablet compression machine designed for increased production throughput. It operates on the same principles as a standard tablet rotary machine but is optimized for faster production speeds and higher output.

High speed tablet rotary machine	
Basis	Description
Model	VTCMB4-D 27
Purpose	To compress powder and make tablets in uniform shape and size
No. of Station	27
Type of Tooling	B
Output per Hour Maximum	129000
Output per Hour Minimum	50000
Max. Operating pressure	10 TONS
Max Tablet Diameter	22MM
Max depth of fill	20MM
Upper Punch penetration	1.5 TO 6 MM
Main Electric Motor	3.70 Kw/ 5 hp
Overall Dimension (in cm)	109 X 109 X 182 H
Net Weight (approx)	1143 KG
Case Dimension (approx) (in cm)	131 X 137 X 204 H
Gross Weight (approx.	1400KG

9. Liquid Filling Machine



A liquid filling machine is a type of packaging equipment used to accurately fill containers with liquid products. These machines are commonly used in nutraceuticals products.

Liquid Filling Machines Work: -

Container Placement: Containers, such as bottles, jars, or vials, are placed on a conveyor or platform that moves them through the filling process.

Currently, this machinery is not used in the company.

CAPACITY AND CAPACITY UTILIZATION

Sanitary Pad (DryStep)

Particular	Installed Capacity	Jan-March	April-June	July-Sep
Sanitary Napkin Making Machine	Installed Capacity	12.96 Lakh	12.96 Lakh	12.96 Lakh
	Utilized capacity	3.20 Lakh	8.40 Lakh	8.31 Lakh

	% of Utilization	24.69%	64.81%	64.20%
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Energy Powder (VitaStep Z 105 GMS Powder)

Particular	Installed Capacity	Jan-March	April-June	July-Sep
Energy Powder Machine	Installed Capacity	51.84 Lakh	51.84 Lakh	51.84 Lakh
	Utilized capacity	1.00 Lakh	2.70 Lakh	1.82 Lakh
	% of Utilization	1.93%	5.21%	3.51%

Note: The above-mentioned capacity utilization has been certified by Chartered Engineer vide certificates dated November 06, 2024

Rationale for the Less Utilization of Energy Powder Machinery:

1. The company has recently commenced its manufacturing operations for energy powder, which may account for lower production and utilization levels during the initial phase.
2. The sale of energy powder is seasonal, with demand primarily occurring between April and July. During the rainy and winter seasons, there is minimal sales activity.

LICENSES/CERTIFICATE OBTAINED BY THE COMPANY

License	Issuing Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
Drug License (For Shop.No.5, Freeway Trade Center Near A-One Hotel, Nh.8)	Food & Drugs Control Administration Ahmedabad (City)	GJ-ADC-224746 (Form 20B) GJ-ADC-224747 (Form 21B)	June 26, 2023	June 25, 2028
Drug License (For Shop No.215 second Floor Free Way Trade Centre Near A-One Hotel NH-8 Narol Aslali Highway), Ahmedabad-382405	Food & Drugs Control Administration Ahmedabad (City)	GJ-ADC-227955 ((Form 20B) GJ-ADC-227956 (Form 21B)	September 13, 2023	September 12, 2028
FSSAI License	Food Safety and Standard Authority of India	10723999002020	December 27, 2023	December 26, 2025
Udyam Certificate	Ministry of Micro, Small and Medium Enterprise	UDYAM-GJ-01- 0337651	December 13, 2023	-
GST Certificate	Government of India	24AAQCM9420P1ZR	July 03, 2023	NA

For more information, please refer page no. 257 under chapter titled "Government and Other Approval" of the Draft Prospectus of Company.

UTILITIES AND INFRASTRUCTURE FACILITIES

Infrastructure Facilities

Our manufacturing units are situated in Bidaj Gam, Bareja, Kheda, Gujarat. Our manufacturing units are well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

Power

Our existing power requirement for our manufacturing unit is catered from Uttar Gujrat VIJ Company Limited for the effective working and management of our computer system in operation.

Water

Water is required only for drinking and sanitary purpose and adequate water resources are available at the existing premises.

HUMAN RESOURCE

We believe that our employees are key contributors to our business success. As of December 28, 2024, there are total of 9 employees all of which are on payroll basis further for the labour requirement we are dependent on daily basis labours to whom we pay on daily basis. None of our employees are on contract basis. In addition to our own employees. We have encountered no significant work disruptions to date and we believe that we have maintained good relations with our employees.

Our company employs approximately five labourers on a daily basis. However, the workforce is not fixed and varies according to business requirements.

S. No.	Particulars	No. of Employees
1.	Sales and Marketing	2
2.	Administration	1
3.	Operation	3
4.	Key Managerial Personnel and Finance	3
	TOTAL	9

EMPLOYEES AND RELATED COSTS/ EXPENSES

The following table presents the details of the number of employees and related costs / expenses in the financial years, as per the guidelines issued by the Association of Investment Bankers of India:

(Amount in lakhs)

Particulars	June 30, 2024	FY 2023-24
Number of Employees	7	8
Employee Benefit Expenses	5.61	15.11
Revenue from Operations	1125.07	3907.19
% of Revenue from Operations	0.50%	0.39%
Employee Attrition rate (in %)	13.33%	28.57%

FINANCIAL ACHIEVEMENTS OF THE COMPANY

(Amt in lakhs)

Particulars	As at 30 th June, 2024	As at 31 st March, 2024	As at 2 nd July, 2023	As at 31 st March, 2023	As at 31 st March, 2022
Share Capital	1,046.55	489.94	142.12	107.24	33.11
Reserves & Surplus	324.66	679.11	-	-	-
Net Worth	1,371.21	1,169.05	142.12	107.24	33.11
Total Income	1,125.26	3,162.52	745.68	2,773.69	762.44
PAT	102.16	291.35	41.40	92.10	18.97

COMPETITION

We operate in a competitive industry. We face competition in our business from large as well as mid-size corporates. We compete with our competitors on a regional or product line basis. We believe that the principal factors affecting competition in our business include relative quality, client relationships, reputation, the abilities of employees, market focus, timely delivery and price of the services and products. We believe that our cost-effective and integrated offerings, our focus on customer satisfaction and our reliability combined with our quality consciousness provides us with competitive advantage in our business.

INSURANCE

Insurance Company	Policy No.	Description of Property Insured	Party Insured	Sum insured	Period
United India Insurance Company Limited	18140012 24P10454 6228	All types of stocks including but not limited to raw materials, finished goods, Semi finished goods, Stocks in Process, packing materials, consumable, Stores & spare items as applicable, including goods held in trust or commission and all other items pertaining to Insureds trade lying anywhere in the premises.	Medistep Healthcare Limited.	1 Crore	From 24/06/2024 to 23/06/2025
United India Insurance Company Limited	18140011 24P10454 4402	Storage of Category-1 hazardous goods subject to warranty that goods listed in the category II, III Coir waste, Coir Fibre and Caddies are not stored therein.	Medistep Healthcare Limited.	Rs. 1 Crore	From 24/06/2024 to 23/06/2025

Note: - There were no losses incurred to the company during past years and Company has not claimed any insurance in the past financial years.

INTELLECTUAL PROPERTY RIGHTS

According to the records provided by the Company, the following trademarks and/or wordmarks have been registered or are subject to objection in the name of the Company under The Trademarks Act, 1999:

Trademark/Wordmark	Date of application	TM Application number	Class	Current Status
	18.09.2023	6114798	5	Objected
MEDISTEP	18.09.2023	6114795	5	Opposed

WEBSITE DETAILS

Our Company has domain name www.medistephc.com registered in its name.

S. No	Domain Name and ID	Sponsoring Registrar and ID	Creation Date	Registry Expiry Date
1	https://www.medistephc.com/	OnlyDomains.com	05.10.2023	03.10.2025

COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS

Our Company has not entered into any collaboration, or performance guarantee or assistance for marketing with any Company.

COLLABORATIONS

Except as disclosed in this Draft Prospectus and in our normal course of business, we do not have any collaboration as on date.

EXPORT OBLIGATION

Our Company does not have any export obligations, as on date of this Draft Prospectus. We are only exporting our goods on the basis of purchase orders received and that to non-regulated countries.

KEY INDUSTRY REGULATIONS AND POLICIES

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Key Legislations Applicable to our Business

(i) The Drugs and Cosmetics Act, 1940

The Drugs and Cosmetics Act, 1940, along with the accompanying Rules of 1945, serves as a critical legislative framework in India for regulating the manufacture, sale, and distribution of drugs and cosmetics. This Act was enacted to ensure the safety, efficacy, and quality of pharmaceutical products and cosmetics available in the market. It establishes standards for the approval and control of drugs, ensuring that only those that meet prescribed criteria can be marketed and consumed. The Act empowers the Central Drugs Standard Control Organization (CDSCO) to oversee the regulation and enforcement of these standards, thereby protecting public health and ensuring that consumers are safeguarded against substandard or counterfeit products.

The Rules formulated under the Drugs and Cosmetics Act provide detailed guidelines for various stakeholders, including manufacturers, distributors, and importers, outlining the requirements for licensing, labeling, and packaging. These regulations cover a broad spectrum of products, from prescription medications to over-the-counter drugs and cosmetics. By mandating rigorous testing and compliance protocols, the Act and its Rules aim to promote transparency and accountability in the pharmaceutical and cosmetics industries. Ultimately, the Drugs and Cosmetics Act, 1940, and its accompanying Rules play a vital role in maintaining the integrity of healthcare in India, ensuring that safe and effective products are accessible to the public.

(ii) Pharmacy Act, 1948

The Pharmacy Act, 1948, is a landmark legislation in India that regulates the profession of pharmacy and ensures the safe and effective distribution of pharmaceuticals. The Act aims to standardize the education and practice of pharmacy, establishing a regulatory framework for the registration of pharmacists and the licensing of pharmacy institutions. It mandates the establishment of State Pharmacy Councils responsible for overseeing the registration of pharmacists and ensuring compliance with the prescribed standards. By promoting professional competency and ethical conduct, the Pharmacy Act seeks to enhance public trust in the pharmaceutical profession.

Under the provisions of the Pharmacy Act, the definition of a pharmacist is clearly outlined, emphasizing their role in the dispensing of medications and providing essential information about drug usage to patients. The Act also addresses the need for proper labeling and packaging of medicines, ensuring that consumers receive safe and effective products. Moreover, it encourages continuous professional development through further education and training programs for pharmacists. By establishing a robust regulatory framework, the Pharmacy Act, 1948, plays a vital role in safeguarding public health, enhancing the quality of pharmaceutical services, and fostering a responsible and informed pharmacy practice in India.

(iii) The Narcotic Drugs and Psychotropic Substances Act, 1985

The Narcotic Drugs and Psychotropic Substances Act, 1985, is a comprehensive legislative framework in India designed to combat the illegal trafficking and abuse of narcotic drugs and psychotropic substances. This Act aims to regulate and control the production, manufacture, import, export, transport, warehousing, use, sale, purchase, and consumption of these substances. By categorizing various drugs into schedules based on their potential for abuse and therapeutic value, the Act establishes a robust legal framework to prevent drug-related crimes and safeguard public

health. The Narcotics Control Bureau (NCB) plays a crucial role in enforcing the provisions of this Act, ensuring compliance through vigilant monitoring and action against violations.

Additionally, the Act emphasizes the need for strict penalties and deterrents for those involved in the illegal drug trade, including heavy fines and imprisonment for offenders. It also provides for the establishment of special courts to expedite the trial process for drug-related offenses, thereby enhancing the efficiency of the legal system in dealing with such cases. Moreover, the Act acknowledges the importance of treatment and rehabilitation for individuals suffering from substance use disorders, promoting a balanced approach that combines enforcement with public health initiatives. Overall, the Narcotic Drugs and Psychotropic Substances Act, 1985, is vital for maintaining social order and protecting the well-being of society.

(iv) The Medicinal and Toilet Preparations (Excise Duties) Act, 1955

The Medicinal and Toilet Preparations (Excise Duties) Act, 1955, is an essential piece of legislation in India that governs the imposition of excise duties on medicinal and toilet preparations. This Act was enacted to regulate the production, manufacture, and sale of such products while generating revenue for the government. By imposing excise duties on specified categories of preparations, the Act aims to ensure that manufacturers contribute to the national exchequer while also maintaining standards for quality and safety. The Act distinguishes between various types of preparations, including those used for medicinal purposes and those used for personal care, thus allowing for targeted regulation.

The Act mandates that manufacturers of medicinal and toilet preparations obtain licenses and maintain proper records of their production and sales. It also outlines the procedures for assessment and payment of excise duties, providing a clear framework for compliance. In addition, the Act empowers the government to impose penalties for non-compliance and to conduct inspections to ensure adherence to the regulatory requirements. By establishing a structured approach to the taxation of medicinal and toilet preparations, the Medicinal and Toilet Preparations (Excise Duties) Act, 1955, plays a significant role in balancing public health concerns with the need for government revenue, ultimately contributing to the overall regulatory landscape in India's pharmaceutical and personal care sectors.

(v) The Food Safety and Standards Act, 2006

The Food Safety and Standards Act, 2006, is a landmark legislation in India aimed at ensuring food safety and enhancing public health standards across the country. This comprehensive Act consolidates various laws related to food safety and establishes the Food Safety and Standards Authority of India (FSSAI) as the regulatory body responsible for overseeing the enforcement of food safety regulations. The Act sets forth standards for the manufacturing, processing, distribution, and sale of food products, ensuring that they meet established safety and quality benchmarks. By promoting transparency and accountability within the food industry, the Act aims to protect consumers from foodborne illnesses and unethical practices.

The Food Safety and Standards Act also emphasizes the importance of food labeling, hygiene, and quality control measures, mandating that food businesses adhere to specific guidelines to ensure consumer safety. It provides mechanisms for the licensing and registration of food businesses, thereby promoting responsible practices throughout the food supply chain. Additionally, the Act empowers the FSSAI to conduct inspections, enforce compliance, and take punitive action against violators. By creating a robust regulatory framework, the Food Safety and Standards Act, 2006, plays a crucial role in safeguarding public health, fostering consumer confidence, and ensuring that safe, nutritious food is accessible to all citizens.

(vi) The Bio-Medical Waste Management Rules, 2016

The Bio-Medical Waste Management Rules, 2016, represent a significant step forward in India's approach to managing bio-medical waste, which poses serious health risks to the public and the environment. Enforced under the Environment (Protection) Act, 1986, these rules provide a comprehensive framework for the segregation, handling, treatment, and disposal of bio-medical waste generated by healthcare facilities, laboratories, and research institutions. The rules classify bio-medical waste into categories, establishing specific guidelines for each type to ensure safe and

effective management. By mandating proper waste segregation at the source, the rules aim to minimize the risk of infection and contamination while promoting sustainable waste management practices.

Additionally, the Bio-Medical Waste Management Rules, 2016, outline the responsibilities of various stakeholders, including healthcare facilities, waste generators, and service providers involved in waste management. They emphasize the need for training and awareness programs for staff handling bio-medical waste to ensure compliance with safety standards. The rules also require the establishment of a waste management committee within healthcare institutions to oversee waste disposal practices and maintain necessary records. By fostering accountability and encouraging best practices in waste management, these rules play a crucial role in protecting public health, safeguarding the environment, and promoting responsible waste disposal in the healthcare sector.

(vii) The Essential Commodities Act, 1955

The Essential Commodities Act, 1955, is a crucial piece of legislation in India aimed at ensuring the availability and equitable distribution of essential commodities to the public. This Act empowers the government to regulate the production, supply, and distribution of certain goods deemed essential for the country's economy and citizens' welfare. By classifying various commodities as essential, such as food grains, edible oils, and medicines, the Act seeks to prevent hoarding, black marketing, and price manipulation, thereby ensuring that these vital goods remain accessible to all segments of society.

Under the Essential Commodities Act, the government can issue orders to control the prices and supply of essential commodities, as well as impose penalties for violations. It grants authorities the power to conduct inspections and seize stocks of goods that are hoarded or stored in violation of the provisions of the Act. Additionally, the Act lays down specific criteria for declaring goods as essential, ensuring that the regulatory framework remains responsive to changing circumstances. By providing a structured approach to the management of essential commodities, the Essential Commodities Act, 1955, plays a significant role in maintaining food security, protecting consumers, and promoting economic stability in India.

(viii) The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954

The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954, is a pivotal legislation in India aimed at regulating the advertisement of drugs and remedies that claim to cure various ailments and diseases, particularly those considered to be magical or miraculous in nature. The Act was enacted to prevent misleading and false advertisements that exploit the vulnerabilities of consumers seeking health solutions. By prohibiting advertisements that make exaggerated or unfounded claims about the efficacy of certain drugs and remedies, the Act aims to protect public health and ensure that consumers make informed choices based on accurate information.

Under this Act, advertisements promoting drugs that are intended to treat or prevent diseases such as cancer, diabetes, and other serious health conditions are scrutinized closely. The Act also lays down stringent penalties for violations, including fines and imprisonment, to deter unscrupulous practices in the pharmaceutical and advertising sectors. The enforcement of this legislation is crucial in maintaining ethical standards within the health and wellness industry, thereby safeguarding consumers from potentially harmful products. By curbing objectionable advertisements, the Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954, plays a vital role in promoting responsible marketing practices and ensuring the integrity of information related to health and medicine in India.

(ix) The Drugs (Price Control) Order, 2013

The Drugs (Price Control) Order, 2013, is a pivotal regulation in India aimed at ensuring the affordability and accessibility of essential medicines. Implemented by the National Pharmaceutical Pricing Authority (NPPA), this Order seeks to control the prices of drugs listed in the National List of Essential Medicines (NLEM). By setting price ceilings on these medicines, the Order aims to protect consumers from excessive pricing while ensuring that manufacturers can still operate sustainably. This framework not only addresses the need for affordable healthcare but also aims to promote fair competition among pharmaceutical companies.

The Order establishes a systematic approach to price fixation, mandating manufacturers to adhere to specified pricing formulas based on the average price of drugs in the market. Additionally, it emphasizes transparency by requiring manufacturers to disclose their pricing structures and any changes therein. The NPPA is empowered to monitor

compliance, take corrective actions against violations, and review price control mechanisms periodically to adapt to market changes. Through this regulatory framework, the Drugs (Price Control) Order, 2013, plays a crucial role in balancing the interests of consumers and the pharmaceutical industry, ensuring that essential medicines remain accessible to all segments of society.

(x) Micro, Small, and Medium Enterprises Development (MSMED) Act, 2006

The Micro, Small, and Medium Enterprises Development (MSMED) Act, 2006 is a landmark legislation in India designed to foster the growth and development of micro, small, and medium enterprises (MSMEs), which are vital to the country's economic progress. The Act provides a clear classification of MSMEs based on their investment in plant and machinery or equipment and annual turnover. It defines micro enterprises as those with investments up to ₹1 crore and turnover up to ₹5 crore, small enterprises with investments up to ₹10 crore and turnover up to ₹50 crore, and medium enterprises with investments up to ₹50 crore and turnover up to ₹250 crore. This classification is crucial for determining eligibility for various support measures and incentives under the Act.

The MSMED Act, 2006 also establishes a framework for supporting MSMEs through financial assistance, technology upgradation, and infrastructure development. It includes provisions for the Credit Guarantee Fund to offer collateral-free loans, enhancing access to finance for small businesses. Additionally, the Act promotes the registration of MSMEs to help them benefit from government schemes and subsidies. It also provides mechanisms for dispute resolution and the creation of institutions to support the sector's growth. By streamlining regulatory processes and providing targeted support, the MSMED Act aims to boost entrepreneurship, create jobs, and contribute to sustainable economic development.

A) Labour Laws

India's regulatory framework encompasses a comprehensive array of labor laws that govern various aspects of employment and workplace conditions within the pharmaceutical and healthcare sectors. For companies engaged in the production, distribution, and management of healthcare products and services, adherence to these labor legislations is essential for ensuring regulatory compliance and maintaining a safe and equitable working environment. The following is a detailed, indicative list of labor laws and regulations applicable to pharmaceutical and healthcare companies:

- Factories Act, 1948
- The Shops and Establishments Act
- Employees' Compensation Act, 1923;
- Workmen's Compensation Act, 1923;
- Employees (Provident Fund and Miscellaneous Provisions) Act, 1952;
- Employees' State Insurance Act, 1948;
- Industrial Disputes Act, 1947;
- Industrial Employment (Standing orders) Act 1946;
- Child Labour (Prohibition and Regulation) Act, 1986
- The Contract Labour (Regulation and Abolition) Act, 1970
- Maternity Benefit Act, 1961;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Apprentices Act, 1961;
- Payment of Wages Act, 1936;
- Equal Remuneration Act, 1976;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013; and

B) TAXATION LAWS

(i) Income-Tax Act, 1961

The government of India imposes an income tax on taxable income of all persons including individuals, Hindu Undivided Families (HUFs), companies, firms, association of persons, body of individuals, local authority and any other artificial judicial person. Levy of tax is separate on each of the persons. The levy is governed by the Indian Income Tax Act, 1961. The Indian Income Tax Department is governed by CBDT and is part of the Department of Revenue under the Ministry of Finance, Govt. of India. Income tax is a key source of funds that the government uses to fund its activities and serve the public. The quantum of tax determined as per the statutory provisions is payable as: a) Advance Tax; b) Self-Assessment Tax; c) Tax Deducted at Source (TDS); d) Tax Collected at Source (TCS); e) Tax on Regular Assessment.

(ii) The Central Goods and Service Tax Act, 2017

The Goods and Services Tax (“GST”) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 (“CGST”), relevant state’s Goods and Services Act, 2017 (“SGST”), Union Territory Goods and Services Act, 2017 (“UTGST”), Integrated Goods and Services Act, 2017 (“IGST”), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

C) INTELLECTUAL PROPERTY LAWS

(i) Trademarks Act, 1999 (Tm Act)

A trademark is used in relation to goods to indicate a connection in the course of trade between the goods and a person having the right as proprietor or user to use the mark. The Trademarks Act, 1999, (Trademarks Act) governs the registration, acquisition, transfer and infringement of trademarks and remedies available to a registered proprietor or user of a trademark. Registration is valid for a period of 10 years but can be renewed in accordance with the specified procedure. As per the Trademarks (Amendment) Bill, 2009, Registrar of Trademarks is empowered to deal with international applications originating from India as well as those received from the International Bureau and maintain a record of international registrations. It also removes the discretion of the Registrar to extend the time.

(ii) Copyrights Act, 1957

The Copyrights Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The Copyright Act also provides for criminal remedies, including imprisonment of the accused, imposition of fines and seizure of infringing copies.

(iii) Patents Act, 1970 (Patent Act)

The purpose of the Patent Act in India is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent. An application

for a patent can be made by (a) person claiming to be the true and first inventor of the invention; (b) person being the assignee of the person claiming to be the true and first invention in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application. Penalty for the contravention of the provisions of the Patents Act include imposition of fines or imprisonment or both.

D) PROPERTY RELATED LAWS

(i) Transfer of Property Act, 1882

The Transfer of Property Act, 1882 governs the transfer of immovable property in India. This Act lays down the legal framework for the transfer of property rights, including the sale, mortgage, lease, and gift of real estate. It outlines the procedures and conditions under which property can be legally transferred from one party to another, ensuring that transactions are conducted in a lawful manner. The Act defines various types of property transfers and provides guidelines for executing and registering such transfers, aiming to protect the interests of all parties involved and to prevent disputes.

One of the key features of the Act is its detailed provisions on the transfer of property through sale and mortgage. It specifies the requirements for a valid sale deed, including the necessity of a written instrument and registration with the relevant authorities. The Act also addresses the legal implications of mortgages, detailing the rights and obligations of both mortgagors and mortgagees. Additionally, it covers lease agreements, providing a framework for the duration, terms, and conditions of lease contracts. Overall, the Transfer of Property Act, 1882 ensures transparency and fairness in property transactions, contributing to a stable real estate market.

(ii) Registration Act, 1908 (The “Registration Act”)

The Registration Act has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the TP Act or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

(iii) The Indian Stamp Act, 1899

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. The Indian Stamp Act, 1899 (the —Stamp Act) provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at all. Instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

(iv) Indian Easements Act, 1882 (The “Easement Act”)

An easement is a right which the owner or occupier of land possesses for the beneficial enjoyment of that land, and which permits him to do or to prevent something from being done, in or upon, other land not his own. Under the Easements Act, a license is defined as a right to use property without any interest in favour of the licensee. The period and incident may be revoked and grounds for the same may be provided in the license agreement entered in between the licensee and the licensor.

E) STATE LAW

(i) The Gujarat Shops and Establishments Act, 1948

The Gujarat Shops and Establishments Act, 1948, is a significant piece of legislation aimed at regulating the working conditions of employees in shops and commercial establishments in the state of Gujarat. This Act provides a framework for the employment terms, working hours, holidays, and other rights of employees engaged in various sectors, including retail, hospitality, and services. By establishing clear guidelines, the Act seeks to promote fair treatment and protect the rights of workers, ensuring that they receive adequate working conditions and entitlements such as paid leave and rest intervals.

Under the Gujarat Shops and Establishments Act, employers are mandated to register their establishments and adhere to specific regulations concerning the hours of work, payment of wages, and provision of essential facilities for employees. The Act also includes provisions for the prohibition of child labor, ensuring that minors are not employed in hazardous or exploitative environments. Additionally, the legislation allows for the establishment of grievance redressal mechanisms, empowering employees to raise concerns regarding their employment conditions. By promoting equitable workplace practices, the Gujarat Shops and Establishments Act, 1948, plays a crucial role in fostering a conducive environment for both employers and employees in the state.

(F) ENVIRONMENTAL REGULATIONS

(i) The Environment Protection Act, 1986 (“Environment Protection Act”)

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a framework for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control, and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant more than such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

(ii) The Hazardous Wastes (Management and Handling) Rules, 1989

The Hazardous Wastes (Management and Handling) Rules, 1989, constitute a critical regulatory framework established in India to manage the handling, treatment, and disposal of hazardous waste. These rules aim to ensure the safe and environmentally sound management of hazardous waste generated from various industrial processes, including pharmaceuticals, chemicals, and manufacturing. The legislation outlines specific procedures for identifying hazardous wastes, categorizing them based on their properties, and mandates that generators of such waste maintain proper records. It also emphasizes the need for treatment, storage, and disposal facilities to comply with prescribed environmental standards, thereby minimizing the risk of pollution and adverse effects on human health and the environment.

Under these rules, responsibilities are clearly delineated for waste generators, transporters, and operators of treatment and disposal facilities. The rules also stipulate the requirement for obtaining authorizations from the appropriate regulatory authorities before handling hazardous waste, ensuring that all activities are monitored and regulated. Additionally, the rules provide guidelines for the transportation of hazardous waste to prevent accidents and ensure the safety of workers and the public. By enforcing stringent measures for the management of hazardous wastes, the Hazardous Wastes (Management and Handling) Rules, 1989, play a vital role in promoting sustainable environmental practices and safeguarding public health in India.

G) IN GENERAL

(i) Companies Act, 2013

The Companies Act, 2013 deals with incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The provisions of this act shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e. One Person Company. The provisions relating to formation and allied procedures are mentioned in the act.

(ii) The Competition Act, 2002

The Competition Act, 2002 (the —Competition Act) prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates —combinations in India. The Competition Act also established the Competition Commission of India (the —CCI) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds.

There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

(iii) Consumer Protection Act, 1986 (COPRA)

The Consumer Protection Act, 1986 (—COPRA) aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services, price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of these authorities attracts criminal penalties.

(iv) The Indian Contract Act, 1872 (“Contract Act”)

The Contract Act 1872 codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

(v) The Foreign Exchange Management Act, 1999 (FEMA)

The Foreign Exchange Management Act, 1999 (FEMA) is a significant legislation in India that governs foreign exchange transactions, external trade, and payments. Enacted to replace the Foreign Exchange Regulation Act (FERA) of 1973, FEMA provides a modern regulatory framework that aligns with the liberalized economic policies and globalized financial environment.

FEMA aims to facilitate external trade and payments, promote foreign investment, and maintain stability in the foreign exchange market. It empowers the Reserve Bank of India (RBI) as the primary regulatory authority to oversee foreign exchange transactions and enforce compliance with FEMA provisions.

Under FEMA, regulations are formulated to govern various aspects of foreign exchange management, including foreign investment, current and capital account transactions, external borrowing and lending, and repatriation of funds. FEMA regulates the acquisition, holding, transfer, and disposal of foreign exchange and foreign securities by residents and non-residents alike.

(vi) Taxes on Professions, Trades, Callings and Employments

Every person engaged in any profession, trade, callings, and employment is liable to pay tax at the rate prescribed by the respective state government. It is considered necessary to levy tax on profession, trade callings and employment to augment state revenues. Every state is empowered by the Constitution of India to make laws relating to levy of taxes on professions, trades, callings, and employments that shall serve as the governing provisions in that state.

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HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was originally incorporated on June 05, 2023 as 'Medistep Healthcare Limited', as a Public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by Registrar of Companies, Gujarat. Thereafter our company acquired the business of Proprietorship Concern of one of our Promoter **Ms. Prajapati hetalben girdharilal** viz, *M/s MG Pharma* through the business transfer agreement dated July 02, 2023. Subsequently the business of the sole proprietorship firm was transferred into Medistep healthcare Limited. The Corporate Identification Number of Our Company Is U21009GJ2023PLC141841.

Before the incorporation of Medistep Healthcare Limited, M/s MG Pharma was involved in the business of trading/distribution of pharmaceutical products, intimate care and hygiene products, surgical products, equipment and Nutraceutical products.

On July 02, 2023, Medistep healthcare Limited has acquired the entire running business on a going concern basis with Asset and Liabilities of M/s MG Pharma, a Sole Proprietorship owned by our Promoter, Ms. Prajapati hetalben girdharilal. The company started manufacturing of sanitary pad and energy powder in *January 2024*.

ADDRESS OF REGISTERED OFFICE, BRANCH OFFICE AND FACTORY OFFICE

1.	Registered Office	05, S.NO-245/B, Plot-19, T.P.S. 56, Free Way Trade Center, NR. A-one Hotel, N.H.-8, Narolgam Narol, Ahmedabad, Daskroi, Gujarat-382405
2.	Manufacturing Unit	Survey No. 298, Near Radio Station, Bidaj Gam, Bareja, Kheda, Gujarat - 387120
3.	Operational Office	Survey No. 245/B T.P. Scheme No. 56 Final Plot No. 19, freeway trade centre, 2 nd floor, office no. 215, Narol, Ahmedabad – 382405

CHANGE IN REGISTERED OFFICE OF OUR COMPANY

The Registered Office of our Company at the time of incorporation was situated at 05, S. No-245/B, PLOT-19, T.P, NR. A-One Hotel, N.H.-8, NA, Narol, Ahmedabad, Gujarat-382405.

The details of changes made to our Registered Office post incorporation of our Company are provided below:

S. No	Effective date of change	Detail of change	Reason of change
1.	October 01, 2024	05, S. No-245/B, Plot-19, T.P.S. 56, Free Way Trade Center, Nr. A-One Hotel, N.H.-8, Narol Gam, Narol ,Ahmedabad City, Daskroi, Gujarat, India, 382405	For administrative convenience

MAIN OBJECT OF OUR COMPANY

- To manufacture, formulate, process, develop, refine, import, export, wholesale, distribute, wholesale trade and/or retail trade all kinds of pharmaceuticals including controlled drugs, API, antibiotics, drugs, medicines, biologicals, nutraceuticals, organic, food items, healthcare, ayurvedic and dietary supplement products, medicinal preparations, vaccines, bulk chemicals, chemical products, dry salters, mineral waters, cordials, and also to deal in medicinal goods such as surgical instruments, medical devices, medical disposables, contraceptives, photographic goods, oils, perfumes, cosmetics, patent medicines, soaps, artificial limbs, hospital requisites, proprietary medicines, veterinary medicines and tinctures extracts and to carry on the

business of vialling, bottling repacking, processing of tablets, capsules, syrups, injections, ointments, etc. and also to carry on the business of chemists, druggists, buyers, sellers, agents, distributors and stockists of all kinds of pharmaceuticals and allied products.

The main objects as contained in the MOA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Issue.

AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

The following amendments have been made to the Memorandum of Association of our Company since incorporation.

Details of Shareholders Approval	Type of General Meeting	Amendments
01.07.2023	EGM	Increase Authorised Share Capital from Rs. 1,00,000 to Rs. 3,00,00,000
15.03.2024	EGM	Increase Authorised Share Capital from Rs. 3,00,00,000 to Rs. 11,00,00,000
30.09.2024	EGM	Increase Authorised Share Capital from Rs. 11,00,00,000 to 15,00,00,000

CORPORATE PROFILE OF OUR COMPANY

For details regarding the description of our Company’s activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key services, entry in new geographies or exit from existing markets, major distributors and customers, segment, marketing and competition, please refer to the chapters titled “Our Business”, “Our Management” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 127 & 170 and 237 respectively, of this Draft Prospectus.

MAJOR EVENTS AND MILESTONES IN THE HISTORY OF THE COMPANY

The table below sets forth some of the key events, milestones in our history since its incorporation.

Year	Key Events
2023	Our Company was incorporated as Public Limited Company under the name “Medistep Healthcare Limited”
2023	M/s MG Pharma was incorporated on 05.07.2018 or carrying on business of trading/distribution of pharmaceutical products, intimate care and hygiene products, surgical products and equipment and Nutraceutical products. On July 02, 2023, Medistep healthcare Limited has acquired the entire running business on a going concern basis with Asset and Liabilities of M/s MG Pharma, a Sole Proprietorship owned by our Promoter, Ms. Prajapati hetalben girdharilali.
2023	Obtained FSSAI license for manufacturing of sanitary pad and energy powder.

AWARDS AND ACCREDITATIONS

As on date of this Draft Prospectus, there are no key awards received by our Company.

TIME AND COST OVERRUN

Our Company has not experienced any significant time and cost overrun in setting up projects.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS

There have been no defaults or rescheduling of borrowings with any financial institutions / Banks as on the date of the Draft Prospectus.

DETAILS REGARDING MATERIAL ACQUISITION OR DISINVESTMENTS OF BUSINESS / UNDERTAKINGS, MERGERS, AMALGAMATION

We have acquired the running business of Proprietorship firm M/s MG Pharma through Business Transfer Agreement dated July 02, 2023 along with all assets and liabilities of M/s MG Pharma (herein under referred as firm) was started by our Promoter Ms. Prajapati hetalben girdharilal in the year 2018 and engaged in business of trading/distribution of pharmaceutical products, intimate care and hygiene products, surgical products and equipment and Nutraceutical products. The Financial Snapshot of M/s MG Pharma for last three years is as follows: -

(Amount in Lakhs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Proprietor's Capital	146.26	44.21	17.84
Revenue from Operation	2764.68	762.44	132.47
Profit after tax	120.01	30.07	7.65

DETAILS OF BUSINESS OF OUR COMPANY

For details on the description of our company's activity, business model, marketing strategy, strength, completion of business, please see our 'Business', 'Management Discussion and Analysis of Financial Conditions and result of operations and Basis for Issue Price' on page 127, 237 and 89 respectively.

CAPITAL RAISING (DEBT/EQUITY)

For details in relation to our capital raising activity through equity, please refer to the chapter titled "Capital Structure" beginning on page 64 of the Draft Prospectus.

INJUNCTION OR RESTRAINING ORDERS

Our Company is not operating under any injunctions or restraining orders.

NUMBER OF SHAREHOLDERS OF OUR COMPANY

Our Company has 8 (Eight) Shareholders as on date of the Draft Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled "Capital Structure" beginning on page 64 of the Draft Prospectus.

CHANGE IN BUSINESS ACTIVITIES OF OUR COMPANY SINCE INCORPORATION

There has been no change in business activities of our company since incorporation till the date of this Draft Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in Chapter titled "Management Discussion and Analysis of Financial Conditions & Result of Operations" beginning on page 237 of the Draft Prospectus.

DETAILS OF PAST PERFORMANCE

For details of Change of management, please see chapter titled “Our Management” on page 170 of the Draft Prospectus.

REVALUATION OF ASSETS

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves from since incorporation.

HOLDING COMPANY

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

SUBSIDIARIES OF OUR COMPANY

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

ASSOCIATE OR JOINT VENTURES OF OUR COMPANY

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

STRATEGIC AND FINANCIAL PARTNERS

As on date of this Draft Prospectus our Company does not have any strategic and financial partners.

SHAREHOLDERS AND OTHER AGREEMENTS

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR A DIRECTOR OR PROMOTERS OR ANY OTHER EMPLOYEE OF THE COMPANY

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, 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 dealing in the securities of the Company.

GURANTEE PROVIDED BY OUR PROMOTERS

Except as stated in “*Financial Indebtedness*” on page 253 of this Draft Prospectus, our Promoters have not given any guarantees on behalf of our Company.

MATERIAL AGREEMENTS

As on the date of this Draft Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company, except as disclosed below: For details on business agreements of our Company, please refer to the section titled ‘Our Business’ beginning on page no. 127 of this Draft Prospectus.

S.No	Date	Parties	Brief description
1.	July 02,	M/s MG Pharma and Medistep Healthcare	The Business Transfer Agreement provides for

	2024	limited	acquisition of business of M/s MG Pharma by Medistep Healthcare Limited.
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OTHER AGREEMENTS

As on date of DP, there are no other agreements and clauses/covenants which are material and which need to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the Draft Prospectus.

OTHERS DISCLOSURE

- As on the date of Draft Prospectus, there are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than ones which have already disclosed in Draft Prospectus.
- We confirm that there is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of our Company) and our Company, Key Managerial Personnel and Directors.
- There is no conflict of interest between the lessor of the immovable properties, (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel, Directors and subsidiaries / Group Company and its directors.

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OUR MANAGEMENT

Our Board of Directors

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than three (3) and not more than fifteen (15). As on date of this Draft Prospectus, we have five (5) Directors on our Board, which includes one (1) Managing Director, one (1) Executive Director, and one (1) Non-Executive Director, and two (2) Independent Directors.

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

Name, DIN, Date of Birth, Designation, Address, Qualification, Experience, Occupation, Term and Nationality	Age (years)	Other Directorships
<p>Girdhari Lal Prajapat</p> <p>DIN: 09513249</p> <p>Date of Birth: November 16, 1988</p> <p>Designation: Managing Director</p> <p>Address: A-101 Rashmi Pearl-2, Near Karnavati 2 Residency, Narol Aslali Road, Opp. Shri Hari Residency, Narol Ahmedabad Gujarat-382405</p> <p>Qualification: Bachelor in Pharmacy from Rajasthan University of Health Sciences, Jaipur</p> <p>Experience: 12+Years</p> <p>Occupation: Business</p> <p>Term: For a period of 1 year w.e.f February 15, 2024</p> <p>Date of Appointment: Director since Incorporation and appointed as Managing Director on February 15, 2024</p> <p>Nationality: Indian</p>	36	Medistep Pharmaceuticals Private Limited
<p>Prajapati Hetalben Girdharilal</p> <p>DIN: 10190667</p> <p>Date of Birth: June 15, 1992</p> <p>Designation: Non-Executive Director</p> <p>Address: A-101 Rashmi Pearl-2, Near Karnavati Residency, , Opp. Shri Hari Residency, Ahmedabad Gujarat-382405</p> <p>Qualification: 9th Pass</p> <p>Experience: 6+Year</p> <p>Occupation: Business</p>	32	Nil

Name, DIN, Date of Birth, Designation, Address, Qualification, Experience, Occupation, Term and Nationality	Age (years)	Other Directorships
<p>Term: Liable to be retire by rotation</p> <p>Period of Directorship: Director since incorporation</p> <p>Nationality: Indian</p>		
<p>Dabhi Vipul Gobarbhai</p> <p>DIN: 09513250</p> <p>Date of Birth: April 17, 1981</p> <p>Designation: Executive Director</p> <p>Address: Block-8, Gangavihar Society, Lathi Road Amreli, Amreli, Gujarat-365 601</p> <p>Qualification: B.A.M.S from Gujarat Ayurved University</p> <p>Experience: 19+Years</p> <p>Occupation: Business</p> <p>Term: Liable to be retire by rotation</p> <p>Period of Directorship: Director since incorporation</p> <p>Nationality: Indian</p>	43	Medistep Pharmaceuticals Private Limited
<p>Dodiya Kapilbhai Raysinhbhai</p> <p>DIN: 10425157</p> <p>Date of Birth: August 15, 1988</p> <p>Designation: Independent Director</p> <p>Address: Navi Mamladar Kacheri Pashal Suraj Kuj Kodinar, Kodinar Khadudyog, Junagadh, Kodinar Gujarat- 362 725</p> <p>Occupation: Business</p> <p>Qualification: B.H.M.S. from Hemchandracharya North Gujarat University Patan</p> <p>Experience: 8+Years</p> <p>Term: A period of five (5) years with effect from February 15, 2024 to February 14, 2029.</p> <p>Period of Directorship: Director since February 15, 2024</p>	36	<i>Nil</i>

Name, DIN, Date of Birth, Designation, Address, Qualification, Experience, Occupation, Term and Nationality	Age (years)	Other Directorships
Nationality: Indian		
<p>Khoda Anandbhai Jitendrabhai</p> <p>DIN: 10425093</p> <p>Date of Birth: January 13, 1984</p> <p>Designation: Independent Director</p> <p>Address: A-402, Shubhlaxmi Appartment Opp. MangalPark, Bareja, Ahmedabad, Gujarat-382 425</p> <p>Qualification: B.H.M.S from Vikram University, Ujjain, MP</p> <p>Experience: 15+Years</p> <p>Occupation: Business</p> <p>Term: A period of five (5) years with effect from February 15, 2024 to February 14, 2029</p> <p>Period of Directorship: Director since February 15, 2024</p> <p>Nationality: Indian</p>	40	Rudra Super Speciality Hospital Private Limited

BRIEF PROFILE OF DIRECTOR

Girdhari Lal Prajapat, 36 years, is Managing director of Medistep Healthcare Limited and Founder of the company. He is a Bachelor of Pharmacy graduate from Rajasthan University of Health Sciences, Jaipur, with over 12 years of experience in the pharmaceutical industry. He began his career in the production department at Cadila Pharmaceuticals and advanced through various roles in sales and marketing as an apprentice trainee. Additionally, he was also associated with AIMS Hospital, Paldi, Ahmedabad, as a pharmacist. Mr. Prajapat oversees business expansion and overall management of the company.

Prajapati Hetalben Girdharilal, 32 years, is a Non-Executive Director on the board of Medistep Healthcare Limited. She brings over six years of experience in the pharmaceutical industry and is the visionary founder of Medistep Healthcare Limited. Ms. Prajapati successfully oversees business operations, emphasizing resource optimization, capacity utilization, and output enhancement. She also leads the company's Logistics and Transport division, ensuring seamless and efficient operations.

Dabhi Vipul Gobarbhai, 43 years, is an Executive Director on the Board of Medistep Healthcare Limited. He holds a Bachelor of Ayurvedic Medicine & Surgery from Gujarat Ayurved University and has over 19 years of experience in hospital practice. Dr. Dabhi was associated with several renowned healthcare institutions, including Hope Neurocare, Rudraksh Institute of Medical Science, and Narol ICU and Trauma Center in Ahmedabad.

Dodiya Kapilbhai Raysinhbhai, 36 years, is an Independent Director on the Board of Medistep Healthcare Limited. He holds a medical degree from Hemchandracharya North Gujarat University, Patan, Gujarat, in 2015 and has 8 years of diverse experience in the hospital and healthcare sector. Since 2017, He has been the Partner of Jeevandeep Hospital in Matar, Kheda, Gujarat, where he has been pivotal in elevating the hospital's standards and reputation. During the COVID-19 pandemic, he played a crucial role in providing hospital-based and community-level care. He also serves as the Partner of Shree Krishna Multispeciality Hospital, Bareja, Ahmedabad, where he leads the development of policies and procedures.

Khoda Anandbhai Jitendrabhai, age 40 years, is an Independent Director on the board of Medistep Healthcare Limited. He holds a medical degree from Vikram University, Ujjain, earned in 2007, and has over 15 years of experience in the healthcare sector. He has been associated with prestigious institutions such as Tower Hospital, Jafarabad, Amreli, and, Iskon, Ahmedabad and he is the director of Rudra Rudra Super Speciality Hospital Private Limited. For the past six years, he has served as the Partner of Astha Hospital, Bareja, Ahmedabad, where his leadership has significantly elevated the hospital's performance and reputation. With over 10 years of expertise in hospital administration and management, he has driven Astha Hospital to new heights in the healthcare sector.

CONFIRMATION

As on the date of this Draft Prospectus

- A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers. in terms of RBI master circular dated July 01, 2016.
- B. Neither Promoters nor persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoters, 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.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) during his/her tenure.
- E. None of Promoters or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

NATURE OF FAMILY RELATIONSHIP BETWEEN DIRECTORS

Except as stated below, none of the Directors or Director and Key Managerial Personnel or Senior Management of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

Name of the Director	Designation	Relationship with other Directors
Girdhari Lal Prajapat	Managing Director	Husband of Prajapati Hetalben Girdharilal
Prajapati Hetalben Girdharilal	Non-Executive Director	Wife of Girdhari Lal Prajapat

DETAILS OF CURRENT AND PAST DIRECTORSHIP(S) OF THE ABOVE DIRECTORS IN LISTED COMPANIES WHOSE SHARES HAVE BEEN / WERE SUSPENDED FROM BEING TRADED ON ANY OF THE STOCK EXCHANGES, DURING HIS/HER TENURE

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Draft Prospectus, during the term of his/her directorship in such company.

DETAILS OF CURRENT AND PAST DIRECTORSHIP(S) OF THE ABOVE DIRECTORS IN LISTED COMPANIES WHICH HAVE BEEN/ WERE DELISTED FROM THE STOCK EXCHANGE(S), DURING HIS/HER TENURE

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

DETAILS OF ANY ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS, PURSUANT TO WHICH ANY OF THE DIRECTOR WAS SELECTED AS DIRECTOR OR MEMBER OF SENIOR MANAGEMENT

None of our Directors have been appointed or selected pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

DETAILS OF SERVICE CONTRACTS ENTERED INTO BY THE DIRECTORS WITH THE COMPANY PROVIDING FOR BENEFITS UPON TERMINATION OF EMPLOYMENT

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

DETAILS OF BORROWING POWERS

In terms of the resolution passed at the Extra Ordinary General Meeting of our Company held on 01.07.2023 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the Articles of Association of the Company, consent of the Members has been accorded to the Board of Directors of the Company to borrow any sum or sums of money from time to time at its discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other Persons, Firms, Bodies Corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company apart from temporary loans obtained from the Company's Bankers in the ordinary course of business may, at any time, exceed the aggregate of the paid-up share capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose), subject to such aggregate borrowings not exceeding the amount which is Rs. 5 crores (Rupees Five crores only) over and above the aggregate of the paid-up share capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) and that the Board has been empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may, in its absolute discretion, think fit.

REMUNERATION /COMPENSATION OF MANAGING DIRECTOR

Pursuant to a resolution passed by the Board of Directors at the meeting held on February 15, 2024 and approved by the Shareholders of our Company at the EGM held on February 15, 2024, Mr.Girdhari Lal Prajapat was designated as the Managing Director of our Company for a period of one (1) year with effect from February 15, 2024 along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

Remuneration (including Perquisites and benefits, is any)	₹ 6 lakhs per annum
Minimum Remuneration	All perquisites and other allowances limited to remuneration as per applicable provisions of Schedule V of the Companies Act, 2013
Commission	Nil
Other Benefit	In the event of inadequacy of profits, the board shall be authorized to adjust the above remuneration in accordance with the provision of Schedule V of the Companies Act, 2013.
Remuneration paid for the period from July 03, 2023 to March 31, 2024	0.76 Lakh
Remuneration paid for the period from March 31, 2024 to June 30, 2024	1.50 Lakh

TERMS OF APPOINTMENT AND REMUNERATION OF OUR EXECUTIVE DIRECTOR

Dabhi Vipul Gobarbhai has been appointed as an Executive Director of the Company pursuant to Incorporation of the Company dated June 5, 2023. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

Remuneration (including Perquisites and benefits, is any)	Nil
Minimum Remuneration	Nil

REMUNERATION DETAILS OF OUR DIRECTOR

(i) Remuneration of our Executive Directors

The aggregate value of the remuneration paid to the Executive Directors in Fiscal 2024 is as follows:

S. No.	Name of the Director	Remuneration (₹ in lacs)
1.	Dabhi Vipul Gobarbhai	Nil

(ii) Sitting fee details of our Independent Directors and Non-Executive Directors

S. No.	Name of the Director	Remuneration (₹ in lacs)
1.	Dodiya Kapilbhai Raysinhbhai	Nil
2.	Khoda Anandbhai Jitendrabhai	Nil
3.	Prajapati Hetalben GirdhariLal	Nil

REMUNERATION PAID TO OUR DIRECTOR BY OUR SUBSIDIARY

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

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

Except as stated below, none of our directors holds any Equity Shares of our Company as on the date of filing of this Draft Prospectus:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1)	Dabhi Vipul Gobarbhai	12,69,880	12.13%
2)	Prajapati Hetalben Girdharilal	71,16,400	68.00%
3)	Girdhari Lal Prajapat	14,11,800	13.49%

* Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company.

INTEREST OF OUR DIRECTORS

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see “Terms of appointment and remuneration of our Executive Directors” above.

Our directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as disclosed in “Financial Information” and “Our Promoter and Promoter Group” beginning on Page Nos. **196** and **184**, respectively of this Draft Prospectus, our directors are not interested in any other company, entity or firm.

Except as stated in “Restated Financial Information –Note IX – Statement of Related Party Transactions” on Page No. **226** of this Draft Prospectus, our directors do not have any other interest in the business of our Company.

INTEREST AS TO PROPERTY

Except as mentioned in “Our Business - Land and Property” and “Restated Financial Information –Annexure I.I0 – Statement of Related Party Transactions” from the chapter titled “Restated Financial Information” on Page No **214** and **226** of this Draft Prospectus. our directors do not have any interest in any property acquired or proposed to be acquired by our Company.

BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS

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

CHANGES IN OUR BOARD DURING THE LAST THREE YEARS

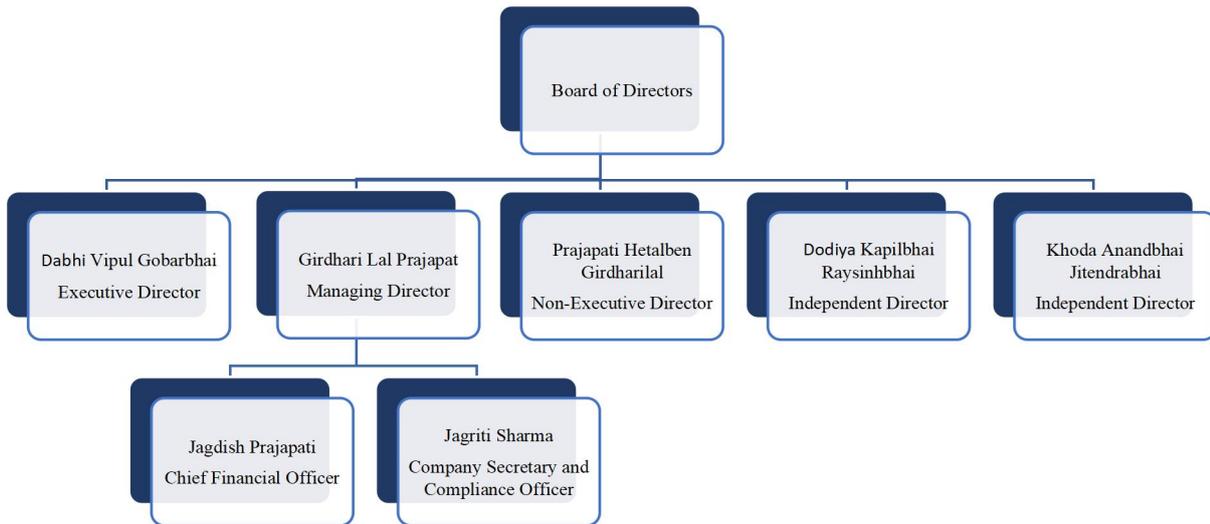
Except as disclosed below, there have been no changes in our Board during the last three years.

Name of Director	Date of Appointment	Date of Cessation	Reasons for Change/ Appointment
Dodiya Kapilbhai Raysinhbhai	February 15, 2024	-	Appointed as Non-Executive Independent Director
Khoda Anandbhai Jitendrabhai	February 15, 2024	-	Appointed as Non-Executive Independent Director
Girdhari Lal Prajapat	February 15, 2024	-	Change in designation to Managing Director

Name of Director	Date of Appointment	Date of Cessation	Reasons for Change/ Appointment
Prajapati Hetalben Girdharilal	June 10, 2024	-	Change in designation from Executive director to Non-Executive Director

MANAGEMENT ORGANIZATION STRUCTURE

Set forth is the management organization structure of our Company:



COMMITTEES OF OUR BOARD

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- Audit Committee;
- Stakeholders' Relationship Committee; and
- Nomination and Remuneration Committee;

Details of each of these committees are as follows:

a) AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated July 5, 2024 in accordance with regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013. As on the date of this Draft Prospectus, the Audit Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Khoda Anandbhai Jitendrabhai	Chairperson	Non-Executive Independent Director
Dodiya Kapilbhai Raysinbhai	Member	Non-Executive Independent Director
Dabhi Vipul Gobarbhai	Member	Executive Director

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

The Scope of Audit Committee shall include but shall not be restricted to the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board the appointment, re-appointment and if required, replacement or removal of the statutory auditor and fixation of audit fees.
3. Approving payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013, as amended;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by the management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with SEBI Listing Regulations and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions; and
 - (g) Qualifications / modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of our Company with related parties;
9. Scrutinizing of inter-corporate loans and investments;
10. Valuing of undertakings or assets of the Company, wherever it is necessary;
11. Evaluating of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussing with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the whistle blower mechanism;
19. Approving the 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;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee enjoys the following powers:

1. to investigate any activity within its terms of reference;
2. to seek information from any employee;
3. to obtain outside legal or other professional advice;
4. to secure attendance of outsiders with relevant expertise, if it considers necessary;

- The audit committee may invite such of the executives, as it considers necessary (and particularly the head of the finance function) to be present at the meetings of the committee but on occasions it may also meet without the presence of any executives of the issuer.

The Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- The recommendations of the audit committee and any matter relating to financial management, including the audit report, are binding on the Board. If the board is not in agreement with the recommendations of the committee, reasons for disagreement shall have to be incorporated in the minutes of the Board meeting and the same has to be communicated to the shareholders. The chairman of the company has to attend the annual general meetings of the company to provide clarifications on the matters relating to the audit. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by Audit committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on July 5, 2024 as per applicable provisions of Section 178 and other applicable provisions, if any, of the Companies Act, 2013. As on the date of this Draft Prospectus the Nomination and Remuneration Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Dodiya Kapilbhai Raysinhbhai	Chairman	Non-Executive Independent Director
Khoda Anandbhai Jitendrabhai	Member	Non-Executive Independent Director
Prajapati Hetalben Girdharilal	Member	Non-Executive Director

The nomination and remuneration committee has following roles:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulating of criteria for evaluation of performance of independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors of our Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been formed by the Board of Directors, at the meeting held on July 5, 2024. As on the date of this Draft Prospectus the Stakeholders' Relationship Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Dodiya Kapilbhai Raysinhbhai	Chairperson	Non-Executive Independent Director
Girdhari Lal Prajapat	Member	Managing Director
Dabhi Vipul Gobarbhai	Member	Executive Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

This committee will address all grievances of shareholders/investors and its terms of reference include the following:

- (1) Allotment and listing of our shares in future;
- (2) Redressing of shareholders and investors complaints such as non-receipt of declared dividend, annual reports, transfer of equity shares and issue of duplicate /split/ consolidated share certificates;
- (3) Monitoring, transfers, transmission, dematerialization, re-materialization, splitting and consolidation of equity shares and other securities issued by our company, including review of cases for refusal of transfer/transmission of shares and debentures;
- (4) Reference to statutory and regulatory authorities regarding investor grievance;
- (5) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- (6) All to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers

COMPLIANCES WITH SME LISTINGS REGULATION

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

OUR KEY MANAGERIAL PERSONNEL

In addition to our Managing Director, Executive Director whose details have been provided under paragraph above titled 'Brief Profile of our Directors', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Prospectus:

Name	Jagdish Prajapati
Designation	Chief Financial Officer
Date of Appointment	28/02/2024
Age	29 Years
service contracts including termination / retirement benefits	N/A
Term of Office	As per Company Rules
Expiration of Term	As per Company Rules
Qualification	CA (Inter), B.com
Previous Employment	Virtual Accounting Solutions LLP
Overall Experience	6 years
Remuneration	Mr. Jagdish Prajapati was appointed as Chief Financial Officer on 28/02/2024, he is appointed for a remuneration of Rs. 3 lacs Per Annum.

Name	Jagriti Sharma
Designation	Company Secretary and Compliance Officer
Date of Appointment	December 28, 2024
Age	34 years
service contracts including termination / retirement benefits	N/A
Term of Office	As per Company Rules
Expiration of Term	As per Company Rules
Qualification	CS, LLB
Previous Employment	Lanco Group
Overall Experience	9 years
Remuneration	As per Discussion by Board

Note: Details in respect to Managing Director, please refer page no. 170 of chapter titled “Our Management” of Draft Prospectus of Company.

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Girdhari Lal Prajapat, Managing Director

Girdhari Lal Prajapat, 36 years, is the Managing director and Founder of the company. He is a Bachelor of Pharmacy graduate from Rajasthan University of Health & Science, Jaipur, with over 12 years of experience in the pharmaceutical industry. He began his career in the production department at Cadila Pharmaceuticals. He holds experience for his strategic planning, analytical abilities, and exceptional communication and networking skills, Mr. Prajapat oversees business expansion and overall management of the company.

Jagdish Prajapati, CFO

Jagdish Prajapati, 29 years, is the Chief Financial Officer of our Company since February 2024. He holds Bachelor of Commerce from Gujarat University. In the past, he has associated with Virtual Accounting Solutions LLP and Lalit K Sharma & Company. he is having more than six years of experience in the field of Accounts, Finance, Taxation and Corporate Management.

Jagriti Sharma, Company Secretary and Compliance Officer

Jagriti Sharma, 34 years, holds a professional fellowship degree from Institute of Company Secretaries of India and a Law Graduate. She has an experience of 9 years in Corporate Secretarial Laws, Governance and Legal Matters. She has worked with diversified experience in Highways Sector, Power and Petroleum Sector. She has past working experience with Lanco Group and SVOGL Group.

OUR SENIOR MANAGERIAL PERSONNEL

Apart from the Key management personnel of our Company including the Managing Director, Chief Financial Officer and other Directors on the Board of our Company, whose details have been provided under paragraph above titled ‘*Brief Profile of our Directors*’ and ‘*Our Key Managerial Personnel*’, our company do not have any Senior management personnel.

DETAILS OF ANY ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS, PURSUANT TO WHICH ANY OF THE KEY MANAGERIAL PERSONNEL, WAS SELECTED AS KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major shareholders, customers, suppliers to our Company or others.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR KEY MANAGEMENT PERSONNEL

There is no contingent or deferred compensation payable to our Key Management Personnel which does not form part of their remuneration.

RELATIONSHIP OF KEY MANAGERIAL PERSONNEL WITH OUR DIRECTORS, PROMOTERS AND / OR OTHER KEY MANAGERIAL PERSONNEL

In addition to the disclosure made under the heading “*Relationship between our Directors*” and except as disclosed below, none of our Key Managerial Personnel are related to each other or to any of our directors:

Name of KMP	Designation	Relation
Girdhari Lal Prajapat	Managing Director	Husband of Prajapati Hetalben Girdharilal, the Non-Executive Director of the Company.
Prajapati Hetalben Girdharilal	Non-Executive Director	Wife of Girdhari Lal Prajapat, Managing Director of the Company.
Jagdish Prajapati	Chief Financial Officer	Brother of Prajapati Hetalben Girdharilal, the Non-executive Director of our Company and brother-in law of Girdhari Lal Prajapat, the Managing director of our Company.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except Managing Director none of the Key Management Personnel hold shareholding in our Company.

BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

PAYMENT OR BENEFIT TO KEY MANAGERIAL PERSONNEL OF OUR COMPANY

Except as disclosed in this Draft Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel except the normal remuneration for services rendered by them.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Management Personnel of the Company, do not have any interest in the Company other than to the extent of the remuneration and their shareholding in the company 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.

None of the key Managerial Personnel have been paid any consideration of any nature from the Company, other than their remuneration.

CHANGES IN KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT IN THE LAST THREE YEAR

In addition to the changes specified under “*Changes in our Board during the Last Three Years*”, set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Draft Prospectus:

Name	Designation	Date of change	Reason
Jagdish Prajapati	Chief Financial Officer	28/02/2024	Appointment
Ajaykumar T Kshatriya	Chief Financial Officer	28/02/2024	Removal
Jagrithi Sharma	Company Secretary and Compliance Officer	28/12/2024	Appointment

EMPLOYEES STOCK OPTION PLAN AND EMPLOYEE STOCK PURCHASE SCHEME

As on date of this Draft Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

LOANS TAKEN BY DIRECTORS / KEY MANAGEMENT PERSONNEL

Except as provided in restated financial statement in the chapter “*Financial Information*” beginning on page 196 of the Draft Prospectus, there are no loans outstanding against the key managerial personnel as on the date of this Draft Prospectus.

OTHER BENEFITS TO THE OFFICERS OF THE ISSUER COMPANY

Except the payment of salaries and perquisites, no amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any employee and there is no consideration for payment of giving of the benefit.

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OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

The promoters of our Company as on the date of this Draft Prospectus are: -

1. Girdhari Lal Prajapat
2. Dabhi Vipul Gobarbhai
3. Prajapati Hetalben Girdharilal.

The details of the shareholding of our Promoters, as on date of this Draft Prospectus has been provided below:

Sr. No.	Particulars	Category	No. of Equity Shares of face value of ₹ 10 each	% of Shares to Pre – Issue Equity Share Capital
1.	Girdhari Lal Prajapat	Individual Promoter	14,11,800	13.49%
2.	Dabhi Vipul Gobarbhai	Individual Promoter	12,69,880	12.13%
3.	Prajapati Hetalben Girdharilal	Individual Promoter	71,16,400	68.00%
Total			97,98,080	93.62%

For details of the build-up of our promoters’ shareholding in our Company, see section titled “Capital Structure” beginning on page no. 64 of this Draft Prospectus.

Details of our Promoters are as follows:

1. Girdhari Lal Prajapat



Girdhari Lal Prajapat, aged 36 years, is the Managing Director of our Company. He resides at A-101, Rashmi Pearl-2, Nr. Karnavati-2 Residency, Narol Aslali Road Opp. Shri Hari Residency, Narol, Ahmedabad Gujarat -382405.

The Permanent Account Number of Girdhari Lal Prajapat is BDBPP8771N.

For complete profile of Girdhari Lal Prajapat, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 170.

Prajapati Hetalben Girdharilal



Prajapati Hetalben Girdharilal, aged 32 years, is the Non - Executive Director of our Company. She resides at A-101, Rashmi Pearl-2, Nr-Karnavati Residency Opp. Shri Hari Residency, Ahmedabad City, Ahmedabad-382 405.

The Permanent Account Number of Prajapati Hetalben Girdharilal is CKCPP0722Q.

For complete profile of Prajapati Hetalben Girdharilal, along with details of her date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 170.

Dabhi Vipul Gobarbhai



Dabhi Vipul Gobarbhai, aged 43 years, is the Executive Director of our Company. He resides at Block-8, Gangavihar Society, Lathi Road Amreli, Amreli, Gujarat-365 601.

The Permanent Account Number of Dabhi Vipul Gobarbhai is AUCPD8648R.

For complete profile of Dabhi Vipul Gobarbhai, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 170.

DECLARATION BY OUR PROMOTER

Our Company confirms that the Permanent Account Number, Bank Account Number, Passport Number, Aadhaar Number and Driving License Number of our Individual Promoters shall be submitted to the Stock Exchange at the time of filing of this Draft Prospectus.

CHANGE IN THE CONTROL OF OUR COMPANY

Our Promoters are the original promoters of our Company and there has been no change in the management or control of our Company. Accordingly, as on the date of this Draft Prospectus, our Company has three Promoters.

PROMOTER’S EXPERIENCE IN THE BUSINESS OF OUR COMPANY

Our Promoters have adequate experience in the line of business, including any proposed line of business, of our company. For details in relation to experience of promoters in the business of our Company, please refer to the chapter titled “*Our Management*” on page 170.

LITIGATION INVOLVING OUR PROMOTERS

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “Outstanding Litigation and Material Developments” beginning on page no. 254 of this Draft Prospectus.

COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE PRECEEDING THREE YEARS

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Prospectus except stated below.

S. No.	Name of Promoter	Name of Entity	Reason for Disassociation	Date of Disassociation
1.	Prajapati Hetalben Girdharilal	M/s MG Pharma	Transfer of Business	July 02, 2023
2.	Dabhi Vipul Gobarbhai	M/s Medistep Pharmaceuticals	Dissolution of partnership firm	December 26, 2024
3.	Girdhari Lal Prajapat	M/s Medistep Pharmaceuticals	Dissolution of partnership firm	December 26, 2024

Note:- Medistep Healthcare Limited acquired the business of Proprietorship Concern of one of our Promoter Ms. Prajapati Hetalben Girdharilal viz, M/s MG Pharma through the business transfer agreement dated July 02, 2023. Subsequently the business of the sole proprietorship firm was transferred into Medistep healthcare Limited.

INTERESTS OF PROMOTERS

- (a) Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) their shareholding in our Company; (iii) the dividends payable thereon; and (iv) any other distributions in respect of their shareholding in our Company.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) in which our Promoters are partners or directors; or (iii) which are controlled by our Promoters. For further details of interest of our Promoters in our Company, see “Financial Statements- Restated Financial Statements –Annexure IX – Statement of Related Party Transactions” on page 226.

- (b) Further, Girdharilal Prajapat, Prajapati Hetalben Girdharilal and Dabhi Vipul Gobarbhai are also interested in our Company in the capacity of our Managing Director, Non-Executive Director and Executive Director respectively, and may be deemed to be interested in the remuneration payable to them and the reimbursement of expenses incurred by them in the said capacity. For further details, see “Our Management” on page 170 For further details of interest of our Promoters in our Company, see “Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements –Annexure IX – Statement of Related Party Transactions” on page 226.
- (c) Except as disclosed in “Financial Statements” and “Financial Indebtedness” on page 196 and 253, respectively in this Draft Prospectus, our Promoters and members of our Promoter Group have (i) not extended any personal guarantees and (ii) have not provided their personal properties, for securing the repayment of the bank loans obtained by our Company.
- (d) Except for the interest held by our Promoters in the entities disclosed under “- Other ventures of our Promoter”, our Promoters do not have any interest in any venture that is involved in activities similar to those conducted by our Company.
- (e) No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our

Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a director or Promoters or otherwise for services rendered by the Promoters, or by such firm or company, in connection with the promotion or formation of our Company.

INTEREST IN PROPERTY, LAND, CONSTRUCTION OF BUILDING AND SUPPLY OF MACHINERY

None of our Promoters have any interest in any property acquired by our Company since its incorporation, up to the filing of this Draft Prospectus, or in any property proposed to be acquired by our Company. Additionally, they have no interest in any transactions involving our Company related to the acquisition of land, construction of buildings, or supply of machinery.

PAYMENT OR BENEFITS TO PROMOTERS OR PROMOTER GROUP

Girdharilal Prajapat, Prajapati Hetalben Girdharilal and Dabhi Vipul Gobarbhai are associated with our Company in the capacity of Managing Director, Non-Executive Director and Executive Director respectively and may be deemed to be interested to the extent of remuneration payable to them and the reimbursement of expenses incurred by them in the said capacity.

Except as disclosed above and as stated in “*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements –Annexure IX – Statement of Related Party Transactions*” on page **225**, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Prospectus.

OTHER VENTURES OF OUR PROMOTERS

Our Promoters are involved in other ventures and business activities in different capacities as listed below:

Girdhari Lal Prajapat

S. No.	Name of the entity	Status	Nature of interest / position
1.	Medistep Pharmaceuticals Private Limited	Company	49.375% Shareholding & Director
2.	Mahadev Medical Store	Proprietorship	Owner

Dhabhi Vipul Gobarbhai

S. No.	Name of the entity	Status	Nature of interest / position
1.	Medistep Pharmaceuticals Private Limited	Company	49.375% Shareholding & Director

Except as stated above and except as disclosed in “– *Promoter Group*” below and in “*Our Management*” on pages **184** and **170**, our Promoters are not involved in any other ventures.

MATERIAL GUARANTEES

Except as disclosed in the chapter titled “*Financial Indebtedness*” on page **253**, as on the date of this Draft Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

OTHER CONFIRMATIONS

- Our Promoters and members of our Promoter group are not Wilful Defaulters or a Fraudulent Borrowers.
- Our Promoters and members of our Promoter group are not Fugitive Economic Offenders.
- Our Promoters and members of the Promoter Group have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.
- Our Promoters are not, and have not been in the past, promoters or directors of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.
- None of our promoters has been refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No violations of securities laws have been committed by our Promoters in the past or are currently pending against them.

INFORMATION OF OUR GROUP COMPANIES

For details related to our group companies please refer “Our Group Entities” on page no. **191** of this Draft Prospectus.

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OUR PROMOTER GROUP

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

The following natural persons being the immediate relatives of our Promoters in terms of the SEBI (ICDR) Regulations 2018 form part of our Promoter Group:

Natural persons who are part of the Promoter Group

S. No.	Promoters	Girdhari Lal Prajapat
1.	Father	Mr. Hansa ram
2.	Mother	Mrs. Soti Devi
3.	Spouse	Mrs. Prajapati Hetalben Girdhari Lal
4.	Brother	Mr. Prajapati Javanaram
5.	Sister	Mrs. Holi Devi, Mrs. Rekha
6.	Children	Mr. Prajapati Yug Girdharilal
7.	Spouse Father	Lt. Mr. Shankarlal Prajapati
8.	Spouse Mother	Mrs. Prajapati Manjulaben
9.	Spouse Brothers	Mr. Jagdish Prajapati Mr. Prajapati Vishal Shankarbhai
10.	Spouse Sister	Ms. Pooja Shankarbhai Prajapati

S. No.	Promoters	Prajapati Hetalben Girdharilal
1.	Father	Lt. Mr. Shankarlal Prajapati
2.	Mother	Mrs. Prajapati Manjulaben
3.	Spouse	Mr. Girdhari Lal Prajapat
4.	Brother	Mr. Jagdish Prajapati Mr. Prajapati Vishal Shankarbhai
5.	Sister	Ms. Pooja Shankarbhai Prajapati
6.	Children	Mr. Prajapati Yug Girdharilal
7.	Spouse Father	Mr. Hansa ram
8.	Spouse Mother	Mrs. Soti Devi
9.	Spouse Brother	Mr. Prajapati Javanaram
10.	Spouse Sister	Mrs. Holi Devi Mrs. Rekha

S. No.	Promoters	Dabhi Vipul Gobarbhai
1.	Father	Mr. Gobarbhai Ravhibhai Dabhi
2.	Mother	Mrs. Nirmalaben Gobarbhai Dabhi
3.	Spouse	Mrs. Dabhi Dharmisthaben V
4.	Brother	Mr. Mehul Gobarbhai Dabhi
5.	Sister	-
6.	Children	Ms. Dabhi Kavya, Mr. Aditya
7.	Spouse Father	Lt. Mr. Ranabhai
8.	Spouse Mother	Mrs. Baldhiya Jayshreeben Ranabhai
9.	Spouse Brother	Lt. Mr. Arun Kumar
10.	Spouse Sister	Ms. Baldhiya Bhagvatiben R.

S. No.	Promoters	Dabhi Vipul Gobarbhai
		Ms. Dhanwaniya Mayuriben Kiranbhai Ms. Chauhan Artiben V

COMPANIES, PARTNERSHIP AND PROPRIETORSHIP FIRMS FORMING PART OF OUR PROMOTER GROUP ARE AS FOLLOWS:

Particulars	Entity
Anybody corporate in which 20% or more of the share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoters or any one or more of his immediate relatives is a member.	Medistep Pharmaceuticals Private Limited
Any company in which a company (mentioned above) holds 20% of the total holding	NOT APPLICABLE
Any HUF or firm in which the aggregate share of the promoters and his relatives is equal to or more than 20% of the total holding	Mahadev Medical Store Kavyadi Medical Store

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OUR GROUP COMPANIES / ENTITIES

In terms of the SEBI ICDR Regulations for the purposes of identification of group companies, our Company has considered companies with which there were related party transactions, during the period for which the Restated Financial Statements has been included in this Draft Prospectus i.e. financial year ended March 31, 2024 such other companies as considered material, in accordance with the Materiality Policy. In terms of the Materiality Policy, a company shall be considered material and disclosed as a Group Company if it:

(i) is a member of the Promoter Group and has entered into one or more transactions with the Company during the period for which financial information is disclosed in the Offer Document(s) individually or in the aggregate, exceed 10% of the total revenue of the Company for such period;

or

(ii) such company would require disclosure in the financial statements of the Company subsequent to the latest period for which restated financial statements are included in the Offer Documents, as entities covered under Ind AS 24 (other than those companies which are already covered under Ind AS 24).

The Group Company of our Company is as follows:

Medistep Pharmaceuticals Private Limited

DETAILS OF GROUP COMPANY

Medistep Pharmaceuticals Private Limited

Corporate Information

Medistep Pharmaceuticals Private Limited was incorporated under the Companies Act, 2013 on 21/02/2022 having CIN U24290GJ2022PTC129518. The Registered Office of the company is situated at 208 Second Floor Freeway Trade Center Beside A-One Hotel Nr. Narol Gam Narol, Ahmedabad, Ahmedabad, Gujarat, India, 382405

Main Object

To manufacture, formulate, process, develop, refine, import, export, wholesale and/or retail trade all kinds of pharmaceuticals, antibiotics, drugs, medicines, biologicals, nutraceuticals, healthcare, ayurvedic and dietary supplement products, medicinal preparations, vaccines, chemicals, chemical products, dry salters, mineral waters, wines, cordials, liquors, soups, broths and other restoratives or foods and also to deal in medicinal goods such as surgical instruments, contraceptives, photographic goods, oils, perfumes, cosmetics, patent medicines, soaps, artificial limbs, hospital requisites, proprietary medicines, veterinary medicines and tinctures extracts and to carry on the business of vialling, bottling, repacking, processing of tablets, capsules, syrups, injections, ointments, etc. and also to carry on the business of chemists, druggists, buyers, sellers, agents, distributors and stockists of all kinds of pharmaceuticals and allied products.

Board of Directors

The Directors of Medistep Pharmaceuticals Private Limited as on the date of this Draft Prospectus are as follows:

Name	Designation
Girdhari Lal Prajapat	Director
Dabhi Vipul Gobarbhai	Director

Shareholding Pattern

The Shareholding Pattern of Medistep Pharmaceuticals Private Limited as on the date March 31, 2024 is as follows:

Shareholders name	No. of shares	% of total holding
Girdhari Lal Prajapat	98,750	49.375
Dabhi Vipul Gobarbhai	98,750	49.375
Vipul Prabhudas Chavda	2,500	1.250
Total	2,00,000	100.00

Financial Performance

Certain details of the audited financials of Medistep Pharmaceuticals Private Limited are set forth below:
(in Lakh except EPS)

Particulars	FY 2024	FY 2023
Total Income	829.15	90.37
Profit After Tax	0.02	2.56
Equity Capital	20.00	1.00
Reserves & Surplus (excluding revaluation reserve)	2.57	2.56
Net Worth	22.57	3.56
NAV per share	11.28	35.58
Earnings per share (EPS) (Basic & Diluted)	0.01	25.58
No. of Equity Shares of Rs. 10/- each	2,00,000	10,000

* Medistep Pharmaceuticals Private Limited was incorporated on February 21, 2022; hence, we have provided the financial data for a period of 2 years.

LITIGATIONS

For details on litigations and disputes pending against our Promoter Group and Group Companies please refer to the page no. **184 & 191** and Outstanding Litigations and Material Developments on page no. **254** of the Draft Prospectus.

DEFUNCT GROUP COMPANIES

There is no defunct Group Company of our Company as on the date of this Draft Prospectus.

COMMON PURSUITS

Medistep Pharmaceuticals Private Limited is authorised to engage in the same line of business as that of our Company. Further, currently we do not have any non-compete agreement/arrangement with Medistep Pharmaceuticals Private Limited. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

NATURE AND EXTENT OF INTEREST OF GROUP COMPANY

In the promotion of our Company

None of our Group Company has any interest in the promotion of our Company or any business interest or other interests in our Company, except to the extent identified chapter titled — Financial Information Annexure IX Related Party Transaction on page no. **225** of this Draft Prospectus.

In the properties acquired by our Company in the past 2 years before filing the Draft Prospectus with Stock Exchange

Our Group Companies do not have any interest in the properties acquired by our Company in the past 2 years before filing this Draft Prospectus with Stock Exchange.

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

As on date of filing the Draft Prospectus, Company has not undertaken any transaction with Group Company with respect to acquisition of land, construction of building and supply of machinery.

PAYMENT OR BENEFIT TO OUR GROUP ENTITIES

Except as stated in the “Related Party Transactions” under section “Restated Financial Statements” on page 196, there has been no payment of benefits to our Group Entity during the two years prior to the filing of this Draft Prospectus.

OTHER CONFIRMATIONS

As on the date of this Draft Prospectus, none of the Group Entities: (i) are listed on any stock exchange; (ii) have completed any public or rights issue since the date of its incorporation; (iii) has received any winding up petition accepted by a court; (iv) have become defunct; (v) have made an application to the relevant registrar of companies (in India), for striking off its name (vi) have been identified as wilful defaulters, as defined under the SEBI (ICDR) Regulations and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them (vii) have been refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

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RELATED PARTY TRANSACTIONS

For details on related party transactions of our Company, please refer to Annexure IX of Restated Financial Statements beginning on page **225** of this Draft Prospectus.

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DIVIDEND POLICY

Under the Companies Act, 2013, an Indian company pays dividends upon recommendation by its Board of Directors and approval by a majority of the shareholders. Accordingly, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not declared or paid any dividend for the period ended June 30, 2024 and the last three financial years ending on March 2024, 2023 and 2022 and till the date of this DP.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company. We may/ may not retain all our future earnings, if any, for use in the operations and expansion of our business. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among other, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements.

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RESTATED STANDALONE FINANCIAL INFORMATION**Independent Auditor's Examination report on Restated Standalone Financial Information of
MEDISTEP HEALTHCARE LIMITED**

To,
The Board of Directors
Medistep Healthcare Limited
R/O-05, S.NO-245/B, Plot-19, T.P.S. 56,
Free Way Trade, Center, NR. A-one
Hotel, N.H.-8, Narolgam Narol,
Ahmedabad, Daskroi, Gujarat-382405

We have examined the attached restated standalone financial information of “**Medistep Healthcare Limited**” (hereinafter referred to as “the Company” or “the Issuer”) comprising the restated statement of assets and liabilities as at 30 June 2024, 31 March 2024, 2 July 2023, 31 March 2023 and 31 March 2022, restated statement of Profit and Loss and restated cash flow statement for the period ended 30 June 2024, 2 July 2023 and for the financial year ended on 31 March 2024, 31 March 2023 and 31 March 2022 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the “**restated standalone financial information**” or “**restated standalone financial statements**”) annexed to this report and initiated by us for identification purposes. These Restated Standalone Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on Emerge Platform (“**IPO**” or “**SMEIPO**”) of NSE Limited (“**NSE**”) of the company.

1. These restated summary statements have been prepared in accordance with the requirements of:
 - (i) Section 26 of Part – I of Chapter III of Companies Act, 2013 (the “**Act**”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“**ICDR Regulations**”) and related amendments/ clarifications from time to time issued by the Securities and Exchange Board of India (“**SEBI**”);
 - (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“**Guidance Note**”)
2. The Company's Board of Directors is responsible for the preparation of the Restated Standalone Financial Statements for inclusion in the Draft Prospectus/Prospectus to be filed with Securities and Exchange Board of India (“**SEBI**”), SME platform of NSE Limited (“**NSE**”) and Registrar of Companies Delhi in connection with the proposed IPO. The Restated Standalone Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Standalone Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Statements. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Standalone Financial Statements taking in to consideration:
- (iv) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 01 June, 2024, in connection with the proposed SME IPO; and
 - (v) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - (vi) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone Financial Statements;
 - (vii) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. The Restated Standalone Financial Statements of the Company have been compiled by the management from:
- (viii) The audit for the period ended 30 June 2024, 2 July 2023 and for the year ended 31 March 2024, 31 March 2023 and 31 March 2022 was conducted by Rubi Agrawal & Associates. There are no material audit qualifications in the audit reports issued by the statutory auditors for the period ended 30 June 2024, 2 July 2023 and for the year ended 31 March 2024, 31 March 2023 and 31 March 2022 and tax auditors for the financial year 31 March 2024, 31 March 2023 and 31 March 2022 which would require adjustments in the Restated Standalone Financial Statements of the Company. The financial report included for these years is based solely on the report submitted by them.
 - (ix) We have Re-audited the Financial statements of the company in accordance with applicable standard as required under the SEBI ICDR regulations for the period ended 30 June 2024, 2 July 2023 and for the year ended 31 March 2024, 31 March 2023 and 31 March 2022 prepared in accordance with the Accounting Standards (Indian GAAP) which have been approved by the Board of Directors.
 - (x) Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Standalone Financial Statements:
 - a) Have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/ reclassifications retrospectively for the period ended 30 June 2024, 2 July 2023 and for the year ended 31 March 2024, 31 March 2023 and 31 March 2022.
 - b) do not require any adjustment for modification as there is no modification in the underlying audit reports;
 - c) there are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
 - d) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
 - e) Adequate disclosure has been made in the financial statements as required to be made by the issuer as per schedule III of the Companies Act, 2013.
 - f) The accounting standards prescribed under the Companies act, 2013 have been followed.
 - g) The financial statements present a true and fair view of the company's accounts.

- (xi) In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
- a) The “**Restated Summary standalone Statement of Assets and Liabilities**” as set out in **Annexure I** to this report, 30 June 2024, 31 March 2024, 2 July 2023 ,31 March 2023 and 31 March 2022 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV & V** to this Report.
 - b) The “**Restated Summary Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company for the financial year ended on 30 June 2024, 31 March 2024, 2 July 2023 ,31 March 2023 and 31 March 2022 are prepared by the Company and approved by the Board of Directors. These Restated summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV & V** to this Report.
 - c) The “**Restated Summary Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company for the financial year ended on 30 June 2024, 31 March 2024, 2 July 2023 ,31 March 2023 and 31 March 2022 are prepared by the Company and approved by the Board of Directors. These Restated summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV & V** to this Report.
- (xii) We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial year ended on 30 June 2024, 31 March 2024, 2 July 2023 ,31 March 2023 and 31 March 2022 proposed to be included in the Draft Prospectus/Prospectus (“**Offer Document**”).

Annexure No.	Particulars
I	Restated Standalone Statement of Assets & Liabilities
I.1	Restated Statement of Share Capital
I.2	Restated Statement of Reserves & Surpluses
I.3	Restated Statement of Long-Term Borrowings
I.4	Restated Statement of Deferred Tax Liabilities/Assets
I.5	Restated Statement of Long-Term Provision
I.6	Restated Statement of Short-Term Borrowing
I.7	Restated Statement of Trade Payable
I.8	Restated Statement of Other Current Liabilities
I.9	Restated Statement of Short-Term Provisions
I.10	Restated Statement of Property, Plant and Equipment
I.11	Restated Statement of Long-Term Investment
I.12	Restated Statement of Inventories
I.13	Restated Statement of Trade Receivable
I.14	Restated Statement of Cash & Cash Equivalent
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II.2	Restated Statement of Other Income
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II.4	Restated Statement of Cost of material consumed
II.5	Restated Statement of Change in inventories
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VIII	Restated Statement of Tax Shelter
IX	Statement of Related Parties & Transactions
X	Statement of Dividends
XI	Changes in the Material Accounting Policies
XII	Contingent Liabilities

- (xiii) We, M/s. Kapish Jain & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
- (xiv) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
- (xv) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- (xvi) Our report is intended solely for use of the Board of Directors for inclusion in the Offer Document in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Kapish Jain & Associates**,
 Chartered Accountants,
 Firm Registration No: 022743N
 Sd/-
Kapish Jain
 Partner
 Membership No: 514162
 UDIN: 24514162BKBIAS1081
 Date: 27th November, 2024
 Place: New Delhi

ANNEXURE I
RESTATED STATEMENT OF ASSETS AND LIABILITIES

(All Amount in ₹ lakhs, unless otherwise stated)

Particulars	Annexure No.	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Equity & Liabilities						
1. Shareholders Fund						
a) Share Capital /Proprietor's Capital Account	I.1	1,046.55	489.94	142.12	107.24	33.11
b) Reserves and Surplus	I.2	324.66	679.11	-	-	-
Total Shareholder's Fund		1,371.21	1,169.05	142.12	107.24	33.11
2. Non-Current Liabilities						
a) Long Term Borrowings	I.3	22.67	7.23	16.46	26.13	82.31
b) Deferred Tax Liability	I.4	-	-	-	-	-
c) Long Term Provisions	I.5	0.66	0.66	-	-	-
Total Non-Current Liabilities		23.33	7.89	16.46	26.13	82.31
3. Current Liabilities						
a) Short Term Borrowings	I.6	21.38	25.38	22.71	27.11	23.43
b) Trade Payables	I.7	795.95	140.95	916.34	1,264.07	541.18
c) Other Current Liabilities	I.8	5.16	2.13	0.69	3.47	23.24
d) Short Term Provisions	I.9	184.87	150.23	51.66	37.72	6.43
Total Current Liabilities		1,007.36	318.69	991.40	1,332.36	594.28
Total Equity & Liability		2,401.90	1,495.63	1,149.98	1,465.74	709.70
4. Non-Current Assets						
a) Property, Plant and Equipment and Intangible Assets	I.10					
- Property, Plant and Equipment		14.69	15.49	2.3	2.49	48.96
Total Fixed Assets		14.69	15.49	2.3	2.49	48.96
b) Non - current Investments	I.11	0.15	0.15	0.15	0.15	0.15
c) Deferred Tax Assets (Net)	I.4	0.65	0.61	0.38	0.36	0.05
Total Non-Current Assets		15.49	16.25	2.83	3	49.16
5. Current assets						
a) Current Investments						
b) Inventories	I.12	54.08	92.88	92.4	50.45	40.25
c) Trade Receivables	I.13	2,324.51	1,375.09	1,051.34	1,398.25	572.63
d) Cash and Cash Equivalents balances	I.14	2.61	0.97	3.41	12.43	3.1
e) Short Term Loans and advances	I.15	0.65	0.55	-	-	41.09
f) Other Current Assets	I.16	4.56	9.89	-	1.61	3.47
Total Current Assets		2,386.41	1,479.38	1,147.15	1,462.74	660.54
Total Assets		2,401.90	1,495.64	1,149.98	1,465.74	709.7

Note: The above statement should be read with the material accounting policies and notes on financial statements appearing in annexure IV & V respectively.

For KAPISH JAIN & ASSOCIATES

Chartered Accountants

Firm Reg. No: 022743N

Sd/-

CA KAPISH JAIN

Partner

Membership No. 514162

Place: New Delhi

Date: 27th November 2024

Sd/-

Vipul Gobarbhai

Director

DIN: 09513250

Sd/-

Jagdish Prajapati

Chief Financial

Officer

PAN-FMOPP1502B

For and Behalf of Board

MEDISTEP HEALTHCARE LIMITED

Sd/-

Girdhari Lal Prajapat

Director

DIN: 09513249

ANNEXURE - II
RESTATED STATEMENT OF PROFIT AND LOSS

(All Amount in ₹ lakhs, unless otherwise stated)

Particulars	Annexure No.	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
I Revenue from Operations	II.1	1,125.07	3,161.51	745.68	2,764.68	762.44
II Other Income	II.2	0.19	1.01	-	9.01	-
III Total Income (I+II)		1,125.26	3,162.52	745.68	2,773.69	762.44
IV Expenditure						
(a) Purchase of stock in trade	II.3	763.69	2,760.52	723.48	2,622.78	723.90
(b) Cost of material consumed	II.4	166.95	63.97	-	-	-
(c) Change in Inventories	II.5	34.92	(86.75)	(41.95)	(10.20)	(18.90)
(d) Employee Benefit Expenses	II.6	5.61	12.04	3.07	11.32	11.40
(e) Other Expenses	II.7	15.14	16.13	2.50	6.89	10.28
V. Total Expenses		986.30	2,765.90	687.09	2,630.78	726.68
VI. Profit Before Interest, Depreciation and Tax		138.96	396.62	58.59	142.91	35.76
VII. Depreciation and amortization expense	I.10	0.80	2.00	0.19	6.54	6.15
VIII Profit Before Interest and Tax (VI-VII)		138.16	394.62	58.40	136.37	29.61
IX Financial Charges	II.8	1.63	5.28	3.09	13.30	4.26
X Profit Before Exceptional and Extraordinary Items and Taxes (VIII-IX)		136.53	389.34	55.31	123.07	25.35
XI Exceptional Items - Prior period items		-	-	-	-	-
XII Profit Before Extraordinary Items and Taxes (X-XI)		136.53	389.34	55.31	123.07	25.35
XIII Extraordinary Items				-	-	-
XIV Profit Before Tax (XII-XIII)		136.53	389.34	55.31	123.07	25.35
XV Tax Expenses	II.9					
Current tax		34.41	98.22	13.94	31.29	6.43
Deferred tax charge/ (benefit)		(0.04)	(0.23)	(0.02)	(0.32)	(0.05)

Total tax Expenses		34.37	97.99	13.91	30.98	6.38
Net Profit/(Loss) for the Year (XIV-XV)		102.16	291.35	41.40	92.10	18.97
Basic and Diluted Equity Per Share		1.03	19.96	-	-	-

Note: The above statement should be read with the material accounting policies and notes on financial statements appearing in annexure IV & V respectively.

For KAPISH JAIN & ASSOCIATES

Chartered Accountants
 Firm Reg. No: 022743N

Sd/-
CA KAPISH JAIN
 Partner
 Membership No. 514162
 Place: New Delhi
 Date: 27th November 2024

Sd/-
Vipul Gobarbhai
 Director
 DIN: 09513250

Sd/-
Jagdish Prajapti
 Chief Financial
 Officer
 PAN-FMOPP1502B

**For and Behalf of Board
 MEDISTEP HEALTHCARE LIMITED**

Sd/-
Girdhari Lal Prajapat
 Director
 DIN: 09513249

ANNEXURE III

RESTATED STATEMENT OF CASH FLOW

(All Amount in ₹ lakhs, unless otherwise stated)

PARTICULARS	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES					
Profit Before Tax as per Profit & Loss A/c	136.53	389.34	55.31	123.07	25.35
Adjusted for :					
a. Depreciation	0.80	2.00	0.19	6.54	6.15
b. Interest Expenses & Finance Cost	1.63	5.28	3.09	13.30	4.26
c. Profit on sale of fixed assets	-	-	-	(9.01)	-
Operating profit before working capital changes	138.96	396.62	58.59	133.91	35.76
Adjusted for :					
a. Decrease / (Increase) in Inventories	38.80	(0.47)	(41.95)	(10.20)	(18.90)
b. Decrease / (Increase) in Trade Receivable	(949.42)	(323.75)	346.91	(825.61)	(547.26)
c. Decrease / (Increase) in Short Term Loans and Advances	(0.10)	(0.55)	-	41.09	(17.30)
d. Decrease / (Increase) in Other Assets	5.33	(9.89)	1.61	1.87	(0.19)
e. Increase / (Decrease) in Trade Payables	655.02	(775.42)	(347.73)	722.87	485.02
f. Increase / (Decrease) in Long Term Provisions	-	0.66	-	-	-
g. Increase / (Decrease) in Other Liabilities	3.00	1.45	(2.76)	(19.76)	22.44
h. Increase / (Decrease) short term provision	0.23	0.36	-	-	-
Cash generated from operations					
Net Income Tax (Paid)/Refund	-	-	-	-	-
Net Cash Generated/(Used) From Operating Activities (A)	(108.17)	(711.00)	14.66	44.16	(40.43)
B. CASH FLOW FROM INVESTING ACTIVITIES					
a. (Purchase) Sale of Fixed Assets	-	(15.19)	-	-	(43.56)
b. Investment in subsidiary companies		-	-	-	-
b. Interest & Other Income		-	-	-	-
b. shares in Kankariya Bank	-	-	-	-	(0.15)
Net Cash Generated/(Used) From Investing Activities (B)	-	(15.19)	-	-	(43.71)

C. CASH FLOW FROM FINANCING ACTIVITIES					
a. Interest & Finance Cost	(1.63)	(5.28)	(3.09)	(13.30)	(4.26)
b. Proceeds/ Repayment of share capital/Proprietors Capital	100.00	0.72	(6.53)	(4.83)	(3.71)
c. (Repayments) / proceeds of long-term borrowings	15.44	(9.23)	(9.67)	(20.38)	69.90
d. (Repayments) / proceeds of short-term borrowings	(4.00)	737.53	(4.40)	3.68	23.43
Net Cash Generated/(Used) From Financing Activities (C)	109.81	723.75	(23.68)	(34.83)	85.36
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	1.64	(2.44)	(9.02)	9.33	1.23
Cash and cash equivalents at the beginning of the year	0.97	3.41	12.43	3.10	1.87
Cash and cash equivalents at the end of the year	2.61	0.97	3.41	12.43	3.10
Notes:					
1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 'Cash Flow Statement'. Previous year's figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year.					
2. The above statement should be read with the material accounting policies and notes on financial statements appearing in Annexure IV & V respectively.					

For KAPISH JAIN & ASSOCIATES

 Chartered Accountants
 Firm Reg. No: 022743N

 Sd/-
CA KAPISH JAIN
 Partner
 Membership No. 514162
 Place: New Delhi
 Date: 27th November 2024

 Sd/-
Vipul Gobarbai
 Director
 DIN: 09513250

 Sd/-
Jagdish Prajapti
 Chief Financial
 Officer
 PAN-FMOPP1502B

**For and Behalf of Board
 MEDISTEP HEALTHCARE LIMITED**

 Sd/-
Girdhari Lal Prajapat
 Director
 DIN: 09513249

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED

NOTES TO ACCOUNTS OF ASSETS AND LIABILITIES:

**Annexure – I.1
Restated Statement of Capital Account**

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Proprietor's Capital account					
Opening Balance	-	195.28	146.26	44.22	17.85
Add: Addition during the year	-	-	9.84	0.99	-
Add: Profit for the Year	-	-	55.54	120.02	30.08
Less: Drawing/Conversion	-	-	16.37	18.96	3.71
Closing Balance	-	195.28	195.28	146.26	44.22
Less:/Add-Restatement adjustment	-	-	(53.16)	(39.02)	(11.11)
Less: Capital converted into share capital during the period	-	195.00	-	-	-
Less: Amount paid in cash	-	0.28	-	-	-
Less: Amount transferred to Security Premium	-	-	-	-	-
Total Capital -Restated	-	-	142.12	107.24	33.11
<u>Authorised Share Capital</u>					
No. of equity share of Rs. 10/- each	1,10,00,000.00	1,10,00,000.00	-	-	-
Authorised Share Capital	1,100.00	1,100.00	-	-	-
<u>Issued, Subscribed & Fully Paid-up</u>					
No. of equity share of Rs. 10/- each	10,465,546	4,899,440	-	-	-
Issued, Subscribed & Fully Paid-up	1,046.55	489.94	-	-	-
The Company has one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. All shareholders are equally entitled to dividend. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts, if any) in the proportion of equity shares held by the shareholders.					

Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	(No. of Equity Shares) As at 31st March, 2022
Shares outstanding at the beginning of the period/year	4,899,440	-	-	-	-
Shares issued during the period/year {refer below note (a)}	-	1,960,000	-	-	-
Unsecured Loan converted into Share Capital {refer below note (b)}	-	2,939,440	-	-	-

Bonus share issued during the period/year {refer below note (c)}	4,899,440	-	-	-	-
Shares issued during the period/year {refer below note (d)}	666,666	-	-	-	-
Bonus Issued during the year		-	-	-	-
Share outstanding at the end of the period/year	10,465,546	4,899,440	-	-	-
Note-(a) The Company Medistep Healthcare Limited was incorporated on 5th June 2023 with paid up equity share capital of Rs. 10,000 and on 30th December 2023 company issued 19,50,000 equity shares for acquisition of Proprietorship firm.					
Note-(b) During the financial year 2023-24 company has allotted 29,39,440 equity shares of Rs. 10 each to promoter and promoters' group against conversion of unsecured loan pursuant to provision of section 62 and other applicable provisions, if any of the companies Act, 2014.					
Note-(c) The Company has issued 48,99,440 bonus shares to the fully paid equity shareholders of the Company in the proportion of 1:1 from amount standing to the credit free reserve and / or the security premium account on 12th April, 2024.					
Note-(d) Company has made preferential allotment of 6,66,666 equity shares of Rs. 10 each and a premium of Rs. 5 each on 10th June ,2024.					

Details of Shareholders holding more than 5% of the aggregate shares in the company

Name of shareholders	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Prajapati hetalben girdharilal					
No. of Shares	7,116,400	3,558,200	-	-	-
% of holding	68.00%	72.62%	-	-	-
Girdharilal Prajapat Share Capital					
No. of Shares	1,411,800	705,900	-	-	-
% of holding	13.49%	14.41%	-	-	-
Dabhi Vipul Gobarbhai					
No. of Shares	1,269,880	634,940	-	-	-
% of holding	12.13%	12.96%	-	-	-
S N Enterprises					
No. of Shares	666,666	-	-	-	-
% of holding	6.37%	-	-	-	-

Name of the Promoters/Shareholders	As at 30th June, 2024			As at 31st March, 2024		
	No. of Shares Held	% of Holding	% Change during the year	No. of Shares Held	% of Holding	% Change during the year
Prajapati hetalben girdharilal	7,116,400	68.00%	100%	3,558,200	34.00%	100%
Girdhari Lal Prajapat	1,411,800	13.49%	100%	705,900	6.74%	100%
Dabhi Vipul Gobarbhai	1,269,880	12.13%	100%	634,940	6.07%	100%
Nishakumari Agrawal	200	0.00%	100%	100	0.00%	100%

Vicky Agrawal	200	0.00%	100%	100	0.00%	100%
Vishnu Prajapati	200	0.00%	100%	100	0.00%	100%
Dabhi dharmishtaben V	200	0.00%	100%	100	0.00%	100%
S N Enterprises	666,666	6.37%	100%			
	9,798,480	93.63%				

Annexure – I.2
Restated Statement of Reserve & Surplus

Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2 nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Statement of Profit & Loss					
Opening balance	238.20	-	-	-	-
Add: Profit for the Year	102.16	291.35	-	-	-
Adjustment: Due to Re-statement	-	(53.16)	-	-	-
Less: Utilized for bonus issue	49.03	-	-	-	-
Total	291.32	238.20	-	-	-
Balance as at the end of the year	291.32	238.20	-	-	-
Security Premium Reserve					
Balance as at beginning of the year	440.92	-	-	-	-
Less: Utilized for Bonus issue	440.92	-	-	-	-
Change during the year	33.33	440.92	-	-	-
Other Reserves, If Any (Please Specify)	-	-	-	-	-
Balance as at the end of the year	33.33	440.92	-	-	-
Total Reserve & Surplus	324.66	679.11	-	-	-

Annexure – I.3
Restated Statement of Long-Term Borrowings

Particulars	As at 30 th June, 2024	As at 31 st March,2024	As at 2 nd July, 2023	As at 31 st March, 2023	As at 31 st March, 2022
<u>Secured Loans</u>					
<u>From Banks</u>					
Idfc First Car Loan	-	-	-	-	6.19
Ujjivan Small Finance Bank	-	-	-	-	29.52
<u>Unsecured Loans</u>					
(a) From Bank					
Ambit Finvest	-	0.31	2.82	3.73	6.13
Bandhan Bank	-	-	-	1.94	3.59
Hdb Financial Services Ltd	-	-	-	3.04	5.50
Kankariya Bank	-	-	-	0.02	0.09
Poonawalla Fincorp Limited	-	-	3.73	4.86	8.89
Ugro Capital Limited	-	-	6.39	8.11	14.74
Unity Finance	-	0.38	3.52	4.43	7.66
Lendingkart Finance	-	-	-	-	-
<u>From others</u>	-	-	-	-	-

- Loans from Directors and relatives	22.67	6.54	-	-	-
Total	22.67	7.23	16.46	26.13	82.31

Restated Statement of Principal terms of Secured Loans and Assets charged as Security									
Name of Lender	Purpose	Rate of Interest	Repayment Schedule	Security	Outstanding amount as at 30th June 2024	Outstanding amount as at 31st Mar 2024	Outstanding amount as at 2nd July 2023	Outstanding amount as at 31st Mar 2023	Outstanding amount as at 31st Mar 2022
IDFC First Car Loan	Purchase of Car	15.00 %	Loan shall be payable in 60 monthly installments	Secured	-	-	-	-	6.19
Ambit Finfest	Business Loan	24.00 %	Loan shall be payable in 36 monthly installments	Unsecured	-	0.31	2.82	3.73	6.13
Bandhan Bank	Business Loan	17.00 %	Loan shall be payable in 36 monthly installments	Unsecured	-	-	-	1.94	3.59
HDB Financial services	Business Loan	21.00 %	Loan shall be payable in 36 monthly installments	Unsecured	-	-	-	3.04	5.50
Mas and Lendingkart finance	Working Capital	44.54 %	Loan shall be payable in 24 monthly installments	Unsecured	-	-	-	-	-
Ugro Capital	Working Capital	22.00 %	Loan shall be payable in 36 monthly installments	Unsecured	-	-	6.39	8.11	14.74
Unity Small Finance Bank	Business Loan	24.00 %	Loan shall be payable in 36 monthly installments	Unsecured	-	0.38	3.52	4.43	7.66
Poonawalla Fincorp	Business Loan	18.75 %	Loan shall be payable in 36 monthly installments	Unsecured	-	-	3.73	4.86	8.89

Ujjivan Small Finance Bank	Home Loan	10.75 %	Loan shall be payable in 240 monthly installments	Secured	-	-	-	-	29.52
Kankariya Bank	Working Capital	8.00%	Loan shall be payable in 43 monthly installments	Unsecured	-	-	-	0.02	0.09

Annexure – I.4					
Restated Statement of Deferred Tax Liabilities/Assets					
Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2 nd July, 2023	As at 31st March, 2023	As at 31 st March, 2022
Deferred Tax Assets/Liabilities Provision					
WDV As Per Companies Act 2013	14.69	15.49	2.30	2.49	48.96
WDV As Per Income tax Act	16.63	17.25	3.80	3.93	49.14
Difference in WDV	(1.94)	(1.76)	(1.50)	(1.43)	(0.18)
Provision for employee benefits (Gratuity & Leave encashment)	(0.66)	(0.66)	-	-	-
Unabsorbed Depreciation and losses					
(DTA)/DTL	(0.65)	(0.61)	(0.38)	(0.36)	(0.05)
Deferred Tax Assets Provision					
Opening Balance of (DTA)/DTL	(0.61)	(0.38)	(0.36)	(0.05)	-
Add: Provision for the year	(0.04)	(0.23)	(0.02)	(0.32)	(0.05)
Closing Balance of (DTA)/DTL	(0.65)	(0.61)	(0.38)	(0.36)	(0.05)

Annexure – I.5					
Restated Statement of Long-Term Provision					
Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Provision for Gratuity	0.66	0.66	-	-	-
Provision for Leave Encashment	-	-	-	-	-
Total	0.66	0.66	-	-	-

Annexure – I.6					
Restated Statement of Short-Term Borrowings					
Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Secured Loan:					
From Bank:					
Kankariya Maninagar Citizens Cooperative Bank Ltd	4.92	4.90	5.00	5.05	4.99
Unsecured Loans					

From Bank:					
- Current Maturities of long term borrowings					
Idfc First Car Loan	-	-	-	-	1.21
Ujjivan Small Finance Bank	-	-	-	-	0.48
Ambit Finvest	2.82	3.25	3.04	2.57	1.87
Bandhan Bank	-	-	-	1.66	1.41
Hdb Financial Services Ltd	-	-	-	2.46	2.00
Kankariya Bank	-	-	-	0.12	0.42
Poonawalla Fincorp Limited	3.73	4.86	4.22	4.03	3.35
Ugro Capital Limited	6.39	8.30	7.05	6.68	5.37
Unity Finance	3.52	4.07	3.40	3.21	2.34
Lendingkart Finance	-	-	-	1.33	-
Total	21.38	25.38	22.71	27.11	23.43

Restated Statement of Terms and Conditions of Short-Term Borrowing:

Name of Lender	Purpose	Rate of Interest	Repayment Schedule	Security	Outstanding amount as at 30th June 2024	Outstanding amount as at 31st Mar 2024	Outstanding amount as at 2nd July 2023	Outstanding amount as at 31st Mar 2023	Outstanding amount as at 31st Mar 2022
IDFC First Car Loan	Purchase of Car	15.00%	Loan shall be payable in 60 monthly installments	Secured	-	-	-	-	1.21
Ambit Finvest	Business Loan	24.00%	Loan shall be payable in 36 monthly installments	Unsecured	2.82	3.25	3.04	2.57	1.87
Bandhan Bank	Business Loan	17.00%	Loan shall be payable in 36 monthly installments	Unsecured	-	-	-	1.66	1.41
HDB Financial services	Business Loan	21.00%	Loan shall be payable in 36 monthly installments	Unsecured	-	-	-	2.46	2.00
Mas and Lendingkart finance	Working Capital	44.54%	Loan shall be payable in 24 monthly installments	Unsecured	-	-	-	1.33	-

Ugro Capital		22.00%	Loan shall be payable in 36 monthly installments	Unsecured	6.39	8.30	7.05	6.68	5.37
Unity Small Finance Bank	Business Loan	24.00%	Loan shall be payable in 36 monthly installments	Unsecured	3.52	4.07	3.40	3.21	2.34
Poonawalla Fincorp	Business Loan	18.75%	Loan shall be payable in 36 monthly installments	Unsecured	3.73	4.86	4.22	4.03	3.35
Ujjivan Small Finance Bank	Home Loan	10.75%	Loan shall be payable in 240 monthly installments	Secured	-	-	-	-	0.48
Kankariya Bank	Aatmanirbhar Term Loan	8.00%	Loan shall be payable in 36 monthly installments	Unsecured	-	-	-	0.12	0.42
Kankariya Maninagar Citizens Cooperative Bank Ltd	Working Capital	14.00%	CC Loan	Secured	4.92	4.90	5.00	5.05	4.99

Annexure – I.7
Restated Statement of Trade Payables

Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Trade Payables					
- MSME*	-	-	-	-	-
- Others	795.95	140.95	916.34	1,264.07	541.18
- Disputed dues - MSME*	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-
Total	795.95	140.95	916.34	1,264.07	541.18

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	Ageing Analysis of Trade Payables Outstanding for following periods from due date of payment As at 30th June, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	

					-
(ii) Others	777.98	17.96	-	-	795.95
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Particulars	Ageing Analysis of Trade Payables Outstanding for following periods from due date of payment As at 31st March, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	110.39	30.56	-	-	140.95
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Particulars	Ageing Analysis of Trade Payables Outstanding for following periods from due date of payment As at 2nd July 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	826.96	89.38	-	-	916.34
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Particulars	Ageing Analysis of Trade Payables Outstanding for following periods from due date of payment As at 31st March 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	1,249.98	14.09	-	-	1,264.07
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment As at 31st March 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	537.09	4.09	-	-	541.18
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Annexure – I.8
Restated Statement of Other Current Liabilities

Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Salary Payables	3.38	1.13	-	1.00	7.01
Audit Fees Payable	0.25	0.25	-	0.25	0.25
Accounting Fees Payable	-	-	-	-	1.80
Advances from Customer	-	-	-	1.60	13.32
Rent Payable	-	-	-	0.62	0.86
Statutory Dues Payable	1.53	0.75	0.69	-	-
Total	5.16	2.13	0.69	3.47	23.24

Annexure – I.9
Restated Statement of Short-Term Provision

Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Provision for Income Tax Current Year	184.28	149.88	51.66	37.72	6.43
Provision for Gratuity (Current)	0.00	0.00	-	-	-
Provision for expenses	0.59	0.36	-	-	-
Total	184.87	150.23	51.66	37.72	6.43

Annexure – I.10
Restated Statement of Fixed Assets

Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
(A) Tangible Assets					
<i>Furniture & Fittings</i>					
Gross Block - Opening Balance	2.70	2.70	2.70	2.70	2.70
Addition/Sale during the year	-	-	-	-	-
Gross Block - Closing Balance	2.70	2.70	2.70	2.70	2.70
Accumulated Depreciation - Opening Balance	1.58	1.32	1.22	0.70	-
Depreciation during the year	0.07	0.27	0.10	0.52	0.70
Accumulated Depreciation -Closing Balance	1.66	1.58	1.32	1.22	0.70
<i>Net Block</i>	1.05	1.12	1.39	1.49	2.00
<i>Plant & Machinery</i>					
Gross Block - Opening Balance	14.13	-	-	-	-
Addition/Sale during the year	-	14.13	-	-	-
Gross Block - Closing Balance	14.13	14.13	-	-	-
Accumulated Depreciation – Opening Balance	1.22	-	-	-	-
Depreciation during the year	0.58	1.22	-	-	-

Accumulated Depreciation -Closing Balance	1.80	1.22	-	-	-
Net Block	12.33	12.91	-	-	-
Building					
Gross Block - Opening Balance	-	-	-	42.70	-
Addition/Sale during the year	-	-	-	(42.70)	42.70
Gross Block - Closing Balance	-	-	-	-	42.70
Accumulated Depreciation – Opening Balance	-	-	-	2.41	-
Depreciation during the year	-	-	-	3.83	2.41
Deletion during the year	-	-	-	(6.24)	
Accumulated Depreciation -Closing Balance	-	-	-	(0.00)	2.41
Net Block	-	-	-	0.00	40.28
Office Equipments					
Gross Block - Opening Balance	2.61	1.55	1.55	1.55	0.69
Addition/Sale during the year	-	1.06	-	-	0.86
Gross Block - Closing Balance	2.61	2.61	1.55	1.55	1.55
Accumulated Depreciation – Opening Balance	1.49	1.06	0.99	0.53	-
Depreciation during the year	0.13	0.43	0.06	0.46	0.53
Accumulated Depreciation - Closing Balance	1.62	1.49	1.06	0.99	0.53
Net Block	1.00	1.12	0.50	0.56	1.02
Vehicle					
Gross Block - Opening Balance	0.81	0.81	0.81	8.15	8.15
Addition/Sale during the year	-	-	-	(7.34)	-
Gross Block - Closing Balance	0.81	0.81	0.81	0.81	8.15
Accumulated Depreciation - Opening Balance	0.48	0.40	0.37	2.50	-
Depreciation during the year	0.02	0.08	0.03	1.73	2.50
Deletion during the year	-	-	-	(3.87)	
Accumulated Depreciation -Closing Balance	0.50	0.48	0.40	0.37	2.50
Net Block	0.31	0.34	0.42	0.45	5.65
Gross Block - Opening Balance					
Addition/Sale during the year					
Gross Block - Closing Balance			-	-	-
Accumulated Depreciation - Opening Balance					
Depreciation during the year					
Accumulated Depreciation -Closing Balance			-	-	-
Net Block			-	-	-
Gross Block - Opening Balance	20.26	5.07	5.07	55.11	11.55
Addition/Sale during the year	-	15.19	-	(50.04)	43.56
Gross Block - Closing Balance	20.26	20.26	5.07	5.07	55.11
Accumulated Depreciation - Opening Balance	4.77	2.77	2.58	6.15	-
Depreciation during the year	0.80	2.00	0.19	6.54	6.15
Deletion during the year	-	-	-	(10.11)	
Accumulated Depreciation -Closing Balance	5.57	4.77	2.77	2.58	6.15
Total Net Block of tangible Assets	14.69	15.49	2.30	2.49	48.96

Annexure – I.11
Restated Statement of Long-term Investments

Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Shares in Kankariya Bank	0.15	0.15	0.15	0.15	0.15
Total	0.15	0.15	0.15	0.15	0.15

Annexure – I.12
Restated Statement of Inventories

Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Stock in trade	30.24	80.44	92.40	50.45	40.25
Raw material	2.25	6.12	-	-	-
Finished goods	21.59	6.32	-	-	-
Total	54.08	92.88	92.40	50.45	40.25

Annexure – I.13
Restated Statement of Trade Receivables

	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Secured & Considered Good	2,324.51	1,375.09	1,051.34	1,398.25	572.63
Unsecured & Considered Good	-	-	-	-	-
Doubtful	-	-	-	-	-
Total	2,324.51	1,375.09	1,051.34	1,398.25	572.63

Ageing Schedule of Trade Receivable

Particulars	Outstanding for following periods from due date of payment As at 30th June, 2024					
	Less than 6 Month	6 Months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,415.70	797.46	111.34	-	-	2,324.51
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Ageing Schedule of Trade Receivable						

Particulars	Outstanding for following periods from due date of payment As at 31st March, 2024					
	Less than 6 Month	6 Months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	707.42	663.14	4.53			1,375.09
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Ageing Schedule of Trade Receivable						
Particulars	Outstanding for following periods from due date of payment as at 2nd July, 2023					
	Less than 6 Month	6 Months-1 year	1-2 years	2-3 years	More than 3 years	Total
(h) Undisputed Trade receivables – considered good	541.27	509.43	0.65	-	-	1,051.34
(i) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(j) Disputed Trade Receivables considered good	-	-	-	-	-	-
(k) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Ageing Schedule of Trade Receivable						

Particulars	Outstanding for following periods from due date of payment as at 31st March 2023					
	Less than 6 Month	6 Months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	36.81	1,359.60	1.83	-	-	1,398.25
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Ageing Schedule of Trade Receivable						

Particulars	Outstanding for following periods from due date of payment as at 31st March 2022					
	Less than 6 Month	6 Months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	566.60	5.39	0.64	-	-	572.63
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Annexure – I.14 Restated Statement of Cash and Cash Equivalents					
Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Cash in hand	1.97	0.75	0.37	0.55	2.13
Balance With Bank (in Current Accounts)	0.64	0.22	3.04	11.88	0.97
Total	2.61	0.97	3.41	12.43	3.10

Annexure – I.15 Restated Statement of Short Term Loans and Advances					
Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Security Deposit	0.65	0.55	-	-	-
Loans & advances	-	-	-	-	41.09
Total	0.65	0.55	-	-	41.09

Annexure – I.16 Restated Statement of Other Current Assets					
Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 2nd July, 2023	As at 31st March, 2023	As at 31st March, 2022
Advance to Vendors	0.16	-	-	-	0.67
Statutory dues Receivables	4.40	9.89	-	1.61	2.80
Total	4.56	9.89	-	1.61	3.47

NOTES TO ACCOUNT OF PROFIT AND LOSS:
(All amounts in ₹ lacs, unless otherwise stated)

Annexure –II.1					
Restated Statement of Revenue from operations					
Particulars	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Sale of Products					
Sale of goods	1,125.07	3,161.51	745.68	2,764.68	762.44
Other Operating Revenue	-	-	0.00	-	-
Total	1,125.07	3,161.51	745.68	2,764.68	762.44

Annexure –II.2					
Restated Statement of Revenue from Other Income					
Particulars	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Discount received	0.19	1.01	-	0.00	-
Profit on sale of fixed assets	-	-	-	9.01	-
Total	0.19	1.01	-	9.01	-

Annexure-II.3					
Restated Statement of Purchase of stock in trade					
Particulars	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Purchase during the year	763.69	2,760.52	723.48	2,622.78	723.90
Purchase of stock in trade	763.69	2,760.52	723.48	2,622.78	723.90

Annexure-II.4					
Restated Statement of cost of material consumed					
Particulars	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Opening Stock of raw material	6.12	-	-	-	-
Add: Purchase during the years	162.01	69.03	-	-	-
Less: Closing Stock of raw material	2.25	6.12	-	-	-
Total (A)	165.88	62.91	-	-	-

Direct expenses:					
Wages Expense	1.07	1.06	-	-	-
Total (B)	1.07	1.06	-	-	-
Cost of material consumed (A+B)	166.95	63.97	-	-	-

Annexure-II.5

Restated Statement of Change in Inventory

Particulars	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Balance at the begning of the year					
Stock in trade	80.44	-	50.45	40.25	21.35
Finished goods	6.32	-	-	-	-
Work in progress	-	-	-	-	-
Total (A)	86.75	-	50.45	40.25	21.35
Balance at the end of the year					
Stock in trade	30.24	80.44	92.40	50.45	40.25
Finished goods	21.59	6.32	-	-	-
Work in progress	-	-	-	-	-
Total (B)	51.83	86.75	92.40	50.45	40.25
Change in inventory (A-B)	34.92	(86.75)	(41.95)	(10.20)	(18.90)

Annexure –II.6

Restated Statement of Employees Benefit Expenses

Particulars	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Salary & Wages	5.40	10.83	3.00	11.00	11.40
Staff Welfare Expense	0.21	0.55	0.07	0.32	-
Gratuity Expense	-	0.66	-	-	-
Total	5.61	12.04	3.07	11.32	11.40

Annexure –II.7
Restated Statement of Other Expenses

Particulars	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Audit Fees	-	0.25	-	0.25	0.25
Business promotion expenses	-	0.06	-	0.43	-
Rates and Taxes	0.05	-	0.56	0.05	0.08
Conveyance Expenses	-	-	-	-	0.33
Power & Fuel Expenses	0.56	1.19	0.29	0.50	0.98
Processing Charges	-	-	-	0.26	1.60
Transportation Expenses	-	0.08	0.27	0.86	0.95
Insurance expenses	0.14	-	-	-	-
Printing & Stationery Expenses	0.11	0.28	0.08	0.22	0.22
Repairs & Maintenance Expenses	0.03	0.07	-	-	0.34
Bank Charges	0.38	0.69	0.24	0.28	0.26
Rent Expenses	1.38	3.99	0.72	2.42	2.63
Membership fees	-	-	-	0.40	0.34
Software Expense	-	-	-	0.15	-
Electricity expense	0.93	0.66	0.16	0.78	-
Office Expense	0.19	0.23	0.08	0.29	0.50
Discount allowed on sales	0.08	2.01	-	-	-
Food License expense	-	0.09	-	-	-
Professional fees	1.57	0.65	0.10	-	1.80
ROC Charges	9.62	5.59	-	-	-
Telephone expenses	0.10	0.29	-	-	-
Total	15.14	16.13	2.50	6.89	10.28

Annexure –II.8
Restated Statement of Financial Charges

Particulars	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Interest On Bank OD	0.55	0.60	0.17	0.73	0.52
Interest On Vehicle Loan	-	-	-	-	0.47
Interest On Business Loan	1.08	4.68	2.92	12.57	3.27
Total	1.63	5.28	3.09	13.30	4.26

**Annexure –II.9
Restated Statement of Provision For Taxation**

Particulars	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Current Tax	34.41	98.22	13.94	31.29	6.43
Deferred tax charge/ (benefit)	(0.04)	(0.23)	(0.02)	(0.32)	(0.05)
Mat credit entitlement	-	-	-	-	-

Statement of Dividends - Annexure X

No Dividend Paid till Date

Changes in the Significant Accounting Policies - Annexure XI

There have been no changes in the accounting policies of the company for the period covered under audit.

Contingent Liabilities - Annexure XII

Particulars	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
a. Estimated amount of contracts remaining to be executed and not provided for	-	-	-	-	-
b. Claims against the Company not acknowledged as debt	-	-	-	-	-
c. Bank Guarantees	-	-	-	-	-
d. Outstanding Tax Demand with Respect to any Revenue Authorities	-	-	-	-	-

STATEMENT OF ACCOUNTING & OTHER RATIOS, AS RESTATED - Annexure VI

Particulars	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Net Profit as Restated	102.16	291.35	41.40	92.10	18.97
Add: Depreciation	0.80	2.00	0.19	6.54	6.15

Add: Interest on Loan	1.63	5.28	3.09	13.30	4.26
Add: Income Tax	34.37	97.99	13.91	30.98	6.38
Less: Other income	(0.19)	(1.01)	-	(9.01)	-
Add: Exceptional item	-	-	-	-	-
EBITDA	138.77	395.61	58.59	133.91	35.76
EBITDA Margin (%)	12.33%	12.51%	7.86%	4.84%	4.69%
Opening Net Worth as Restated	1169.05	142.12	107.24	33.11	17.84
Closing Net Worth as Restated	1371.21	1169.05	142.12	107.24	33.11
Average Net Worth as Restated	1270.13	655.58	124.68	70.18	25.48
Return on Net worth (%) as Restated	8.04%	44.44%	33.21%	131.24%	74.47%
Equity Share at the end of year (in Nos.)	10465546	4899440	-	-	-
Weighted No. of Equity Shares	9952726	1459357	-	-	-
Basic & Diluted Earnings per Equity Share as Restated	1.03	19.96	-	-	-
Net Asset Value per Equity share as Restated	13.10	23.86	-	-	-
Nominal Value per Equity share (Rs.)	10.00	10.00	-	-	-
Current Assets (A)	2386.41	1479.38	1147.15	1462.74	660.54
Current Liabilities (B)	1007.36	318.69	991.40	1332.36	594.28
Current Ratio (A/B)	2.37	4.64	1.16	1.10	1.11
Debt	44.06	32.62	39.17	53.24	105.74
Equity	1371.21	1169.06	142.12	107.24	33.11
Debt Equity Ratio (In Times)	0.03	0.03	0.28	0.50	3.19
EBIT	138.16	394.62	58.40	136.37	29.61
Interest+Principal	6.34	18.28	7.91	31.75	5.01
Debt Service Coverage Ratio	21.78	21.59	7.39	4.30	5.91
EBIT	138.16	394.62	58.40	136.37	29.61
Interest	1.63	5.28	3.09	13.30	4.26
Interest Coverage Ratio	84.59	74.78	18.91	10.25	6.95
PAT	102.16	291.35	41.40	92.10	18.97
Average Shareholder's Fund	1270.13	655.58	124.68	70.18	25.48
Return On Equity (%)	8.04%	44.44%	33.21%	131.24%	74.47%
Opening Inventory	92.88	92.40	50.45	40.25	21.35
Closing Inventory	54.08	92.88	92.40	50.45	40.25
Average Inventory	73.48	92.64	71.43	45.35	30.80
Cost of Goods Sold (COGS)	965.56	2737.73	681.52	2612.57	705.00
Inventory Turnover Ratio (In Times)	13.14	29.55	9.54	57.61	22.89
Opening Trade Receivable	1375.09	1051.34	1398.25	572.63	25.37
Closing Trade Receivable	2324.51	1375.09	1051.34	1398.25	572.63
Avg Trade Receivable	1849.80	1213.22	1224.79	985.44	299.00
Revenue From Operation	1125.07	3161.51	745.68	2764.68	762.44
Trade Receivables turnover ratio (In times)	0.61	2.61	0.61	2.81	2.55
Purchase	925.70	2829.55	723.48	2622.78	723.90
Opening Trade Payable	140.95	916.34	1264.07	541.18	56.16

Closing Trade Payable	795.95	140.95	916.34	1264.07	541.18
Average Trade Payable	468.45	528.65	1090.21	902.63	298.67
Trade Payable Ratio (In Times)	1.98	5.35	0.66	2.91	2.42
Revenue From Operation	1125.07	3161.51	745.68	2764.68	762.44
Average Working Capital	1269.87	658.22	143.07	98.32	42.48
Net Capital Turnover Ratio (In Times)	0.89	4.80	5.21	28.12	17.95
Revenue From Operation	1125.07	3161.51	745.68	2764.68	762.44
PAT	102.16	291.35	41.40	92.10	18.97
N P Ratio (In %)	9.08%	9.22%	5.55%	3.33%	2.49%
EBIT	138.16	394.62	58.40	136.37	29.61
Opening Capital Employed	1176.94	158.58	133.37	115.42	30.90
Closing Capital Employed	1394.53	1176.94	158.58	133.38	115.42
Average Capital Employed	1285.74	667.76	145.98	124.40	73.16
Return on Capital Employed (In %)	10.75%	59.10%	40.01%	109.62%	40.48%
Net PAT	102.16	291.35	41.40	92.10	18.97
Opening Assets	1495.64	1149.98	1465.74	709.70	87.87
Closing Assets	2401.90	1495.64	1149.98	1465.74	709.70
Average Assets	1948.77	1322.81	1307.86	1087.72	398.78
Return on Investments (In %)	5.24%	22.03%	3.17%	8.47%	4.76%

Note:-

EBITDA Margin = EBITDA/Total Revenues from operation

Earnings per share (₹) = 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 (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

Statement of Capitalization, As Restated - Annexure VII

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Pre-Issue 30th June 2024	Post Issue*
Debt :		
Short Term Debt	21.38	-
Long Term Debt	22.67	-
Total Debt	44.06	-
Shareholders' Funds		
Equity Share Capital	1,046.55	-
Reserves and Surplus	324.66	-
Less: Misc. Expenditure	-	-
Total Shareholders' Funds	1,371.21	-
Long Term Debt/ Shareholders' Funds	0.02	-
Total Debt / Shareholders Fund	0.03	-
* The post issue capitalization will be determined only after the finalisation of issue price.		-

Statement of Tax Shelter, As Restated - Annexure VIII
(All amounts in ₹ lacs, unless otherwise stated)

Particulars	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Profit Before Tax as per books of accounts (A)	136.53	389.34	55.31	123.07	25.35
-- Normal Tax rate	25.17%	25.17%	25.17%	25.17%	25.17%
-- Minimum Alternative Tax rate	15.60%	15.60%	15.60%	15.60%	15.60%
Permanent differences					
Expenses Disallowances	-	-	-	-	-
Other Adjustments	-	-	-	-	-
Total (B)	-	-	-	-	-
Timing Differences					
Depreciation as per Books of Accounts	0.80	2.00	0.19	6.54	6.15
Depreciation as per Income Tax	0.62	1.75	0.12	0.55	5.97
Difference between tax depreciation and book depreciation	0.18	0.25	0.07	5.99	0.18
Other adjustments	-	0.66	-	-	-
Total (C)	0.18	0.91	0.07	5.99	0.18
Net Adjustments (D = B+C)	0.18	0.91	0.07	5.99	0.18
Other adjustments					
Profit on sale of fixed assets as per Books	-	-	-	(9.01)	-
Profit on sale of fixed assets as per IT	-	-	-	4.27	-
Net Other adjustments (E)	-	-	-	(4.74)	-
Total Income (F = A+D)	136.71	390.26	55.38	124.33	25.53
Brought forward losses set off /Unabsorbed Depreciation (G)			-	-	-
Taxable Income/ (Loss) for the year/period (F+G)	136.71	390.26	55.38	124.33	25.53
Tax Payable for the year/period	34.41	98.22	13.94	31.29	6.43
Tax payable as per MAT	21.30	60.74	8.63	19.20	3.96
Tax expense recognised	34.41	98.22	13.94	31.29	6.43
Tax payable as per normal rates or MAT (whichever is higher)	Income Tax	Income Tax	Income Tax	Income Tax	Income Tax

Statement of Related Parties & Transactions - Annexure IX
A. List of Related Parties:

Name of the key managerial personnel/Entity	Relationship
Khoda anandbhai jitendrabhai	Director
Dodiya kapilbhai raysinhbhai	Director
Jagdish Prajapati	Chief Financial Officer

Dabhi Vipul Gobarbhai	Director
Girdhari Lal Prajapat	Managing Director
Hetalben Shankarlal Prajapati	Director
Medistep Pharmaceuticals	Partnership firm in which KMP is partner
Medistep Pharmaceuticals Pvt Ltd	KMP holds significant control
Mahadev Medical Store	Proprietorship firm of KMP
Dharmishtaben Dabhi	Promoter
Kavyadi Medical Store	Proprietorship firm of KMP

B. Transactions with Related Parties:

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Sale of Goods to					
Medistep Pharmaceuitcals	-	-	-	-	5.94
Medistep Pharmaceuitcals Pvt Ltd.	62.13	95.91	2.74	78.95	-
Mahadev Medical Store	76.36	161.83	83.61	758.26	-
Kavyadi Medical Store	4.83	464.47	114.20	1,106.45	6.56
Purchase of goods					
Medistep Pharmaceuitcals	-	-	-	0.81	5.12
Medistep Pharmaceuitcals Pvt Ltd.	-	12.65	1.61	8.46	-
Mahadev Medical Store	-	7.57	-	-	-
Kavyadi Medical Store	-	0.42	-	-	-
Laon & Advance (Received)					
Girdhari Lal Prajapat	-	-	16.44	-	43.21
Laon & Advance (Payment)					
Girdhari Lal Prajapat	-	-	16.44	-	65.13
Unsecured Loan taken from					
Girdhari Lal Prajapat	0.37	178.12	-	53.48	-
Vipul Dabhi	-	158.71	-	-	-
Prajapati hetalben girdharilal	15.76	411.88	-	-	-
Remuneration to					
Girdhari Lal Prajapat	1.50	0.76	-	-	-
Jagdish Prajapati	0.75	0.25	-	-	-
Unsecured Loan repaid to					
Girdhari Lal Prajapat	-	-	-	12.39	-
Share Issue through conversion of loan					
Girdhari Lal Prajapat	-	176.45	-	-	-
Vipul Dabhi	-	158.71	-	-	-
Prajapati hetalben girdharilal	-	399.70	-	-	-

C. Balance at the end of Year

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	For the period ended 30th June, 2024	For the period from 3rd July, 2023 to 31st March, 2024	For the period from 1st April, 2023 to 2nd July, 2023	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Loan & Advance					
Girdhari Lal Prajapat	-	-	-	-	41.09
Unsecured Loan					
Girdhari Lal Prajapat	2.04	1.67	-	-	-
Prajapati hetalben girdharilal	20.63	4.87	-	-	-
Remuneration payable					
Girdhari Lal Prajapat	1.50	0.76	-	-	-
Jagdish Prajapati	0.75	0.25			
Payable to					
Medistep Pharmaceuticals	-	-	-	-	12.59
Receivable from					
Medistep Pharmaceuticals Pvt Ltd.	79.16	16.73	18.18	13.24	-
Mahadev Medical Store	77.05	10.36	71.21	236.47	-
Kavyadi Medical Store	67.42	99.57	623.28	678.39	2.73

A SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE STANDALONE RESTATED FINANCIAL STATEMENTS - Annexure IV

1. Background

MEDISTEP HEALTHCARE LIMITED ('the Company') is a Company limited by shares domiciled in India, with its registered office situated at 05, S.No-245/B, Plot-19,T.P, NR.A-One Hotel, N.H.-8, Narol, Ahmedabad, Gujarat -382405. The Company has been incorporated under Companies Act, 2013 (substituted by Companies Act, 2013) on 05th June, 2023 (CIN U21009GJ2023PLC141841). The Company primarily engaged in the business of manufacturing and distribution, wholesale and retail trade of all kinds of pharmaceuticals including controlled drugs, API, antibiotics, drugs, medicine, biologicals, nutraceuticals, organic, food items, healthcare, ayurvedic and dietary supplement products, medicinal preparations, vaccines etc.

2. Summary of Material accounting policies

1) Basis of Preparation

"The Restated Summary Statement of the Assets and Liabilities of the Company as at 30th June 2024 , 31st March 2024, 2nd July 2023, 31st March 2023 and 31st March 2022, the Restated Summary Statement of Profit and Loss and the Restated Summary Statement of Cash Flow thereof (collectively referred to as 'Restated Summary Statements') have been compiled by the management of the Company and have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under Section 133 of the Companies Act,

2013 read with rule 7 of the companies (Accounts) rules 2015. The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees.”

2) Use of estimates

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3) Property, Plant and Equipment

Tangible assets

"Tangible assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, borrowing costs, if capitalization criteria are met and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during acquisition and exclusive of Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

When parts of an item of tangible assets have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure relating to tangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.”

4) Depreciation on property, plant and equipment

Based on management’s evaluation, useful life prescribed in Schedule II of the Companies Act, 2013 represent actual useful life of property, plant and equipment. The Company uses written down value method and has used following useful lives to provide depreciation of different class of its property, plant and equipment.

Particulars	Useful life in years
Building	30
Plant and machinery	15
Furniture and fixture	10
Office equipments	5
Vehicles	8

The Company has adopted Schedule II to the Companies Act, 2013 which requires identification and determination of separate useful life for each major component of the property, plant and equipment, if they have useful life that is materially different from that of the remaining asset. (Component Accounting)

The Company has adopted Schedule II to the Companies Act, 2013 which requires identification and determination of separate useful life for each major component of the property, plant and equipment, if they have useful life that is materially different from that of the remaining asset. (Component Accounting)

5) Revenue recognition

Revenue is recognised to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer.

Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

6) Investment**Non-Current Investment**

Non-current investments are investments intended to be held for a period of more than a year. Non-current investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Current Investment

Current investments are investments intended to be held for a period of less than a year. Current investments are stated at the lower of cost and market value, determined on an individual investment basis.

7) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks. Bank overdrafts are shown within borrowings in current liabilities in balance sheet.

8) Employees Benefit

"Employee benefits in the form of Provident Fund and Employee State Insurance Scheme are defined contribution plans and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Short-term employee benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service."

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date. The defined benefit obligation is calculated at the balance sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to the Statement of Profit and Loss in the year in which such gains or losses are determined.

9) Income taxes

Tax expense for the period comprises of current tax, deferred tax and Minimum alternate tax credit considered in determining the net profit or loss for the year.

Current tax

"Provision for current tax is recognized on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts, and there is an intention to settle the asset and the liability on a net basis."

Deferred tax

"The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised. At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any."

Minimum alternate tax

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes 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 specified 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.

10) Earnings Per Share

"Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

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

Other notes to restated financial statements - Annexure V

1. Non-adjustment Items:

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

2. Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities, Profit & Loss 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.

Material Adjustments in Restated Profit & Loss Account:

Particulars	For the period and year ended					
	30th June 2024	31st March 2024	2nd July 2023	31st March 2023	31st March 2022	31st March 2022
Net profit after tax as per audited accounts but before adjustments for restated accounts:	99.75	289.96	55.54	120.02		30.08
Adjustment in other income and expenses(Change in Depreciation)	0.02	0.10	(0.22)	(5.95)		(4.73)
Adjustment for profit on sale of Fixed assets	-	-	-	9.01		-
Current Tax	2.41	1.16	(13.94)	(31.30)		(6.43)
Adjustment for Provision of Deferred Tax in respect of timing differences between taxable income and accounting Income	(0.02)	0.13	0.02	0.32		0.05
Profit after Tax as per restated	102.16	291.35	41.40	92.10		18.97

Explanatory notes to the above restatements to profits made in the audited Standalone Financial Statements of the Company for the respective years:

- a) **Adjustment for change in other income and expenses:** Depreciation has been restated and impact has been given in respective periods and company has not recognized profit on sale of fixed assets which has now been restated and impact has been given in the respective year.
- b) **Adjustment for provision of Deferred Tax:** Deferred tax expenses restated due to timing differences of changes made as mentioned in point no. (a) which has now been restated and impact has been given in the respective periods at income tax rates as applicable to the respective periods.
- c) **Adjustment for provision of Income Tax:** Entity has not recognized provision for income tax which has now been restated and changes due to in point no. (a), & (b) mentioned above has been taken into account.

3. Material Adjustments in Restated Assets & liability Statement:

Particulars	For the period and year ended				
	30th June 2024	31st March 2024	2nd July 2023	31st March 2023	31st March 2022
Audited shareholder's Funds	1,420.57	1,220.82	195.28	146.26	44.22
Adjustment for change in unrealised foreign currency (gain)/loss	-	-	-	-	-
Adjustment in other income and expenses	0.02	0.10	(0.22)	(5.95)	(4.73)
Adjustment for sale of fixed assets	-	-	-	9.01	-
Other adjustment	-	-	-	-	-
Adjustment for provision of Income Tax & Deferred Tax	2.41	1.29	(13.92)	(30.99)	(6.38)
Opening Balances	(51.79)	(53.16)	(39.02)	(11.09)	-
Shareholder's Funds as per restated financials	1,371.20	1,169.06	142.12	107.24	33.11

4. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of amounts payable to such enterprises as at October 31, 2023 has been made based on the information available with the Company. The information has been determined to the extent such parties have been identified on the basis of information available with the Company. Auditors have placed reliance on such information provided by the Management.

Particulars	For the period and year ended				
	30th June 2024	31st March 2024	2nd July 2023	31st March 2023	31st March 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	-	-	-	-	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	-	-	-	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond	-	-	-	-	-

the appointed day during the year.					
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year.	-	-	-	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-	-	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-	-	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-	-	-	-
Interest accrued and remaining unpaid as at the end of year.	-	-	-	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under	-	-	-	-	-

section 23 of the MSMED Act.					
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5. Other figures of the previous years have been regrouped/reclassified and rearranged wherever necessary.

6. As required under SEBI (ICDR) Regulations, the Statement of Assets and Liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.

7. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits

Balances of Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits are subject to confirmation and reconciliation.

Employee benefits plans

8. A. Defined contribution plans:

The Company makes Provident fund and Employee State Insurance Scheme contribution which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to the fund. The contribution payable to these plans by the Company are at rates specified in the rules of the schemes. Employer's contribution to Provident Fund and Employee's State Insurance Scheme recognised as expenses in the Statement of Profit and Loss for the year are as under:

	For the period and year ended				
	30th June 2024	31st March 2024	2nd July 2023	31st March 2023	31st March 2022
Contribution to provident fund and other funds	-	-	-	-	-

B. Defined benefit plans:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

i) Amount recognised in the statement of profit and loss is as under:

	Gratuity Benefits				
	For the period and year ended				
	30th June 2024	31st March 2024	2nd July 2023	31st March 2023	31st March 2022
Current service cost	-	0.66	-	-	-
Past service cost including curtailment gains/losses	-	-	-	-	-
Interest cost	-	-	-	-	-
Actuarial (gain)/loss, net	-	-	-	-	-
Amount recognised during the year	-	0.66	-	-	-

ii) Movement in the present value of defined benefit obligation recognised in the balance sheet is as under :

	Gratuity Benefits				
	For the period and year ended				
	30th June 2024	31st March 2024	2nd July 2023	31st March 2023	31st March 2022
Present value of defined benefit					

obligation as at the start of the year					
Current service cost	-	0.66	-	-	-
Past service cost	-	-	-	-	-
Interest cost	-	-	-	-	-
Actuarial (gain)/loss on obligation	-	-	-	-	-
Benefits paid	-	-	-	-	-
Present value of defined benefit obligation as at the end of the year	-	0.66	-	-	-
Current position of obligation as at the end of the year	-	0.00	-	-	-
Non-current position of obligation as at the end of the year	-	0.66	-	-	-

iii) Economic assumptions:

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

	As at				
	30th June 2024	31st March 2024	2nd July 2023	31st March 2023	31st March 2022
Discount rate	-	7.27%	-	-	-
Salary growth rate	-	10.00%	-	-	-

iv) Demographic assumptions:

	As at				
	30th June 2024	31st March 2024	2nd July 2023	31st March 2023	31st March 2022
Retirement age	-	60 Years	-	-	-
Mortality table	-	As Per IALM(2012-14)	-	-	-
Withdrawal rates	-		-	-	-
Ages	-	Rate (%)	-	-	-
Upto 30Years	-	5.00%	-	-	-
From 31 to 44 Years	-	5.00%	-	-	-
Above 44 Years	-	5.00%	-	-	-

v) Sensitivity analysis for defined benefit obligation

	As at				
	30th June 2024	31st March 2024	2nd July 2023	31st March 2023	31st March 2022
Impact of the change in discount rate					
Present value of obligation at the end of the year	-	0.66	-	-	-
- Impact due to increase of 0.50 %	-	(0.06)	-	-	-
- Impact due to decrease of 0.50 %	-	0.07	-	-	-
Impact of the change in salary increase					
Present value of obligation at the end of the year	-	0.66	-	-	-
- Impact due to increase of 0.50 %	-	0.07	-	-	-

- Impact due to decrease of 0.50 %	-	(0.06)	-	-	-
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The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

Notes:

- (1) The above figures have been extracted from the actuarial valuation report issued by M/s Charan Gupta Consultants Pvt. Ltd. vide certificate reference number CGCPL/26692/57/34/G/204, dated 25th April 2024.

9.Re-grouping/re-classification of amounts

The figures have been grouped and classified wherever they were necessary and have been rounded off to the nearest rupee.

10. Examination of Books of Accounts & Contingent Liability

The list of books of accounts maintained is based on information provided by the assesses and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

11. Director Personal Expenses

There are no director personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

12. Deferred Tax Asset/Liability: [AS-22]

The Company has created Deferred Tax Asset/Liability as required by Accounting Standard (AS)-22.

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OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are set out below:

S. No.	Particulars	As at and for the year ended June 30, 2024	As at and for the year ended March 31, 2024	As at and for the year ended July 2, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022
1.	Basic EPS (In Rs)	1.03	19.96	-	-	-
2.	Diluted EPS (in Rs)	1.03	19.96	-	-	-
3.	Return on Net Worth (in %)	8.04%	44.44%	33.21%	131.24%	74.47
4.	Net Asset value per Equity Share (In Rs)	13.78	80.11	-	-	-
5.	EBITDA (in Rs)	138.77	395.61	58.59	133.91	35.76

Notes:

1. Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of our Company by the weighted average number of Equity Shares outstanding during the year.
2. Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.
3. EPS has been calculated in accordance with the Indian Accounting Standard 33 – ‘Earning per share’ notified under the Companies (Indian Accounting Standards) Rules, 2015. The above statement should be read with significant accounting policies and notes on Restated Consolidated Financial Information.
4. RoNW is calculated as Profit for the year, as restated divided by restated net worth calculated on average of opening and closing Net worth of the year. Net Worth’ means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
5. Net Asset Value per Equity Share (NAV) is computed as the closing net worth (sum of equity share capital, other equity and noncontrolling interest) divided by the weighted average outstanding number of equity shares as on March 31, 2024.
6. EBITDA is calculated as profit for the year plus tax expense, depreciation and amortisation and finance cost for the year
7. As company was incorporated on 5th June, 2023, and business was transferred from sole proprietorship to company on 2nd July 2023. Due to this reason, there was no share capital for Medistep, before 2nd July, 2023. Hence, NAV, and EPS are left blank for the corresponding years.

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company for the financial years ended Financial Year 2021-22, Financial year 2022-23 and Financial Year 2023-24 and for the period ended July 2 2023 and June 30 2024) are available at <https://www.medistephc.com/index.html> . Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations.

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MANAGEMENTS' DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 and for the period ended June 30, 2024. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Information" on page 196 of the Draft Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 27 of this Draft Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page 17 of this Draft Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Medistep Healthcare Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for Financial Years 2024, 2023 & 2022 included in this Draft Prospectus beginning on page 196 of this Draft Prospectus.

BUSINESS OVERVIEW

Our Company was originally incorporated on June 05, 2023 as 'Medistep Healthcare Limited', as a Public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by Registrar of Companies, Gujarat. Thereafter our company acquired the business of Proprietorship Concern of one of our Promoter **Ms. Prajapati hetalben girdharilal** viz, M/s MG Pharma through the business transfer agreement dated July 02, 2023. Subsequently the business of the sole proprietorship firm was transferred into Medistep healthcare Limited. The Corporate Identification Number of Our Company Is U21009GJ2023PLC141841.

Before the incorporation of Medistep Healthcare Limited, M/s MG Pharma was involved in the business of trading/distribution of pharmaceutical products, intimate care and hygiene products, surgical products and equipment, Nutraceutical products and over the counter products. After the execution of business transfer agreement dated July 2, 2023 with Medistep Healthcare Limited the company started manufacturing of sanitary pad and energy powder from January 2024.

Promoters of our company are **Mr. Girdhari Lal Prajapat, Ms. Prajapati hetalben girdharilal and Mr. Dabhi Vipul Gobarbhai**. Our promoters and directors have a combined experience of more than 25 years in the pharmaceutical field. Driven by the passion for building an integrated pharmaceutical company, backed by their experience, our Promoters have been the pillars of our Company's growth and have built a strong value system for our Company. With their enriching experience and progressive thinking, we will continue to grow in the pharmaceutical Industry.

Along manufacturing of sanitary pad and energy powder our company is engaged in distributorship of pharmaceutical products, Nutraceutical products, Intimate Products and surgical products through distribution network. We trade in Diclofenac AQ Injection, Rabeprazole DSR Capsule, Fluconazole 200 Tab, Vitastep Z Powder, Iron with Zinc Tab, Calcium D3 Tab, Sanatary Cotton Pad, Drystep Sanitary Pads, Syringe 3ml, Needle All Type, Salp Vein All Type, Disposable Mask and Venti Circuit.

Our Core business activity is divided in following category:

- a) Manufacturing of sanitary pad and energy powder
- b) Distribution of pharmaceutical products, nutraceutical products, intimate products and surgical products.

Our Company is consistent in supplying of quality products round the year. Our products comply with requisite safety standards requisite approvals have been obtained. We are a quality conscious company. We are constantly striving to expand our line of products and we are always looking for complementary products that will add to our range of products.

The Share of revenue through manufacturing and trading segment are as under:

(Amount in Lakhs)

Industry Segment	30 th June 2024	%	March 31, 2024	%	March 31, 2023	%	March 31, 2022	%
Manufacturing of Sanitary Pad (DryStep)	258.87	23.01%	103.38	2.65%	Nil	0.00%	Nil	0.00%
Manufacturing of Energy Powder (VitaStep Powder) Z	69.87	6.21%	22.63	0.58%	Nil	0.00%	Nil	0.00%
Trading of Pharmaceutical Products	796.33	70.78%	3,781.18	96.77%	2764.68	100.00%	762.44	100.00%

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR AND STUB PERIOD

As per mutual discussion between the Board of the Company and Lead Manager, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the Draft Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- The Board of Directors of our Company has approved and passed resolution on June 20, 2024 to authorize the Board of Directors to raise the funds by way of Initial Public Offering.
- The shareholder of our Company has approved and passed resolution on June 20, 2024 to authorize the Board of Directors to raise the funds by way of Initial Public Offering
- The shareholders of our Company appointed Mr. Girdhari Lal Prajapat as Managing Director in the Extra Ordinary General Meeting held on February 15, 2024.
- The shareholders of our Company appointed Mr. Khoda anandbhai jitendrabhai and Mr. Dodiya kapilbhai raysinhbhai, as Independent Directors in the Extra Ordinary General Meeting held on February 15, 2024.
- The board of directors in its meeting held on February 28, 2024 appointed Mr. Jagdish Prajapti as Chief Financial Officer of the Company.
- The board of directors in its meeting held on December 28, 2024 appointed Mrs. Jagriti Sharma as Company Secretary and Compliance Officer of the Company

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factor” beginning on page 27 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Failure to comply with regulations prescribed by authorities of the jurisdiction in pharmaceutical sector.
- We generally do business with our customers on purchase order basis and do not enter into long term contracts with them. Our inability to maintain relationships with our customers could have an adverse effect on our business, prospects, results of operations and financial condition.
- Failure to adapt to the changing needs of industry may adversely affect our business and financial condition;
- Inflation, deflation, unanticipated turbulence in interest rates,
- Our dependence on our key personnel, including our directors and senior management;
- Our ability to successfully implement our business strategy and plans;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control.

DISCUSSION ON RESULT OF OPERATION

(Amount in Lakhs)

Particulars	For the period ended 30 June, 2024*	%age of Total Income	For the year ended 31 March, 2024	%age of Total Income	For the year ended 31 March, 2023	%age of Total Income	For the year ended 31 March, 2022	%age of Total Income
Income								
Revenue from Operations	1125.07	99.98	3907.19	99.97	2764.68	99.68	762.44	100
Other Income	0.19	0.02	1.01	0.03	9.01	0.32	0	0
Total Income (I + II)	1125.26	100	3908.20	100	2773.69	100	762.44	100
Expenditure								
Purchase of Stock in trade	763.69	67.87	3483.99	89.15	2622.78	94.56	723.90	94.95
Changes in inventory of WIP and finished goods	34.92	3.10	(128.71)	(3.29)	(10.20)	(0.37)	(18.9)	(2.48)
Cost of Material Consumed	166.95	14.84	63.97	1.64	0.00	0.00	0.00	0.00
Employee benefits expenses	5.61	0.50	15.11	0.39	11.32	0.41	11.4	1.50
Other expenses	15.14	1.34	18.63	0.48	6.89	0.25	10.28	1.35
Total expenses	986.30	87.65	3452.99	88.35	2630.78	94.85	726.68	95.31
Profit Before Interest, Depreciation	138.96	12.35	455.21	11.65	142.91	5.15	35.76	4.69

and Tax								
Depreciation & Amortization Expenses	0.80	0.07	2.19	0.06	6.54	0.24	6.15	0.81
Profit Before Interest and Tax	138.16	12.28	453.02	11.59	136.37	4.92	29.61	3.88
Financial Charges	1.63	0.14	8.36	0.21	13.30	0.48	4.26	0.56
Profit before Taxation & Exceptional Item	136.53	12.13	444.66	11.38	123.07	4.44	25.35	3.32
Exceptional Items								
Profit Before Taxation	136.53	12.13	444.66	11.38	123.07	4.44	25.35	3.32
Current Tax	34.41	3.06	112.16	2.87	31.29	1.13	6.43	0.84
Deferred Tax	(0.04)	0.00	(0.25)	(0.01)	(0.32)	(0.01)	(0.05)	(0.01)
Earlier Years Tax Expense	0	0	0	0	0	0	0	0
Total tax expense	34.37		111.90		30.98		6.38	
Profit After Tax but Before Extra-ordinary Items	102.16	9.08	332.76	8.51	92.10	3.33	18.97	2.49
Extraordinary Items								
Profit Attributable to Minority Shareholders								
Net Profit after adjustments	102.16	9.08	332.76	8.51	92.10	3.33	18.97	2.49
Net Profit Transferred to Balance Sheet	102.16	9.08	332.76	8.51	92.10	3.33	18.97	2.49

*June figures are not Annualized.

Our Significant Accounting Policies

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “Financial Statements” beginning on page **196** of the Draft Prospectus.

Key performance Indicators

For significant key performance indicators please refer to KPI under chapter titled “Basis of Issue Price” beginning on page **89** of this Draft Red Herring Prospectus.

Changes in Accounting Policies in Previous 3 years

Except as mentioned in the Notes to the Accounts in the chapter “Restated Financial Information” on page 196 of this Draft Prospectus has been no change in accounting policies in last 3 years.

Reservations, Qualifications and Adverse Remarks

The Examination Report issued by our Statutory Auditors has no reservations, qualifications and adverse remarks.

Overview of Revenue & Expenditure

The following discussion on results of operations should be read in conjunction with the Restated Financial statements for the period ended on June 30, 2024 and Financial Year 2024, 2023 & 2022. Our revenue and expenses are reported in the following manner:

Revenue Bifurcation

Product wise bifurcation

Particulars	(₹ in lakhs)							
	Period Ending 30 th June, 2024		FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations
Intimate care and hygiene products	1031.74	91.71%	3500.59	89.60%	425.59	15.39%	538.72	70.66%
Pharmaceutical Products	6.74	0.60%	301.20	7.71%	168.77	6.10%	183.36	24.05%
Nutraceuticals Product	85.60	7.61%	26.40	0.68%	20.61	0.75%	10.40	1.36%
Surgical Products and Equipment	0.85	0.08%	75.20	1.92%	2147.53	77.68%	24.98	3.28%
Over the counter products	0.14	0.00	3.80	0.09%	2.18	0.08%	4.98	0.65%
Total	1125.07	100%	3907.19	100%	2764.68	100%	762.44	100%

Particulars	(₹ in lakhs)							
	Period Ending 30 th June, 2024		FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations
Manufacturing	328.74	29.22%	126.01	3.23%	0.00	-	0.00	-
Trading	796.33	70.78%	3781.18	96.77%	2764.68	100%	762.44	100%
Total	1125.07	100%	3907.19	100%	2764.68	100%	762.44	100%

Geographical bifurcation

(₹ in lakhs)

States	Period Ending 30 th June, 2024		FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations
Gujarat	1125.07	100%	3905.79	99.96%	2763.14	99.94%	762.34	99.99%
Rajasthan	0	-	1.40	0.04%	1.53	0.06%	0.10	0.01%
Total	1125.07	100%	3907.19	100%	2764.68	100%	762.44	100%

Revenues

◆ Revenue of operations

Our Company's revenue is primarily generated from the trading of pharmaceuticals products, nutraceuticals products, surgical products and other intimate care and hygiene products. It also includes sale of manufactured products i.e. sanitary pads (Drystep) and energy powder (Vitastep Z).

◆ Other Income

Other Income includes discount received and profit on sale of assets.

Expenditure

Our total expenditure primarily consists of purchase of stock in trade, cost of material consumed, Employee benefit expenses, and Other Expenses. We also have incurred financial charges and depreciation as expenditure, which we have shown separately from total expenditure.

◆ Purchase of Stock in Trade

Being a company engaged in trading of goods, we also purchase goods such as intimate, nutraceuticals, surgical and pharmaceutical products.

◆ Change in Inventory

It means the difference between total of opening and closing inventories. They include stock in trade, work-in-progress and finished goods of inventory.

◆ Cost of Material Consumed

It includes purchase of raw material such as top sheet, air sheet, sap sheet, back sheet, pouch of Sanitary pad, boxes, dextrose monohydrate, essence orange dry mix powder, zinc sulphate monohydrate, ascorbic acid, tartaric acid, sucrose etc.

◆ Employment Benefit Expenses

Our employee benefits expense primarily comprises of Salaries and Wages, Staff welfare expenses and Gratuity and Other Benefits etc.

◆ Finance Cost

It includes Interest Expense on Borrowings and other Financial Expenses.

◆ Depreciation and Amortization Expenses

Depreciation includes depreciation on Buildings, Plant & Equipment, Furniture & Fixtures, Computers, etc.

◆ **Other Expenses**

Other Expenses includes majorly power and fuel expenses, rent expenses, electricity expenses, professional charges, ROC charges etc.

**PERIOD ENDED JUNE 30, 2024 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2024
(BASED ON RESTATED FINANCIAL STATEMENTS)**

Revenues

◆ **Total Income**

Total Income for the period ended June 30, 2024, stood at Rs.1125.26 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 3908.2 Lakhs, which is almost equivalent to 28.79% of the Total Income registered in full Financial Year 2023-24. This is due to increase in revenue from operations.

◆ **Revenue from operations**

Total Revenue from Operations for the period ended June 30, 2024, stood at Rs.1125.07 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 3907.19 Lakhs, which is almost equivalent to 28.79% of the Total Revenue from Operations registered in full Financial Year 2023-24. The increase in net revenue is attributed to the company's entry into manufacturing of intimate care, hygiene products, and nutraceuticals. This shift followed the company's transformation from a sole proprietorship, enabling a broader product offering. This analysis highlights the company's growth and diversification strategy, indicating a positive impact on revenue through new product lines.

◆ **Other Income**

Other Income for the Period ended June 30, 2024, stood at Rs. 0.19 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 1.01 Lakhs, which represents 0.02% and 0.03% of the Total Income of corresponding periods respectively. It comprises of discount received from suppliers.

Expenditure

◆ **Total Expenses**

Total Expenses for the Period ended June 30, 2024, stood at Rs. 988.74 Lakh whereas in Financial Year 2023-24 it stood at Rs. 3463.54 Lakh, which represents 87.87% and 88.62% of the Total Income of corresponding periods respectively, which is mainly due to increased levels of operations, resulted into better utilization of the resources.

◆ **Purchase of Stock in Trade**

Purchase of Stock in Trade for the period ended June 30, 2024, stood at Rs. 763.69 Lakh whereas in Financial Year 2023-24 it stood at Rs. 3483.99 Lakh which represents 67.87% and 89.15% of the Total Income of corresponding periods respectively. It also represents 21.92% of the purchases stock in trade of FY 2023-24. The decrease in stock purchases as a percentage of income indicates a strategic shift, as the company has expanded into manufacturing, moving away from a pure trading business model during the last quarter of FY 2023-24.

◆ **Change in Inventory**

Total change in inventory for the Period ended June 30, 2024, stood at Rs. 34.92 lakhs whereas in financial year 2023-24 it stood at Rs. (128.71) lakhs, which represents 3.10% and (3.29%) of the total income of corresponding periods respectively. As company was newly incorporated on 5th June, 2023, it does not have any opening stock of stock in trade and hence negative figure in FY 2023-24 represents closing stock only of ₹86.75 lakhs. It also includes change in inventory before it was incorporated as a company representing ₹(41.95) lakhs.

◆ **Cost of Material Consumed**

Total cost of Material consumed for the Period ended June 30, 2024, stood at Rs. 166.95 Lakh whereas in Financial Year 2023-24 it stood at Rs. 63.97 Lakh, which represents 14.84% and 1.64% of the Total Income of corresponding periods respectively. This increase was due to the fact that company started manufacturing post getting FSSAI license in January 2024, and it became fully operational in during stub period.

◆ **Employment Benefit Expenses**

Employee benefit expenses for the Period ended June 30, 2024, stood at Rs.5.61 Lakhs whereas in Financial Year 2023-24 it stood at Rs 15.11 Lakhs which represents 0.50% and 0.39% of the Total revenue of corresponding periods respectively. This was due to increase in wages and labour cost used in manufacturing of intimate products and nutraceutical products.

◆ **Other Expenses**

The Other Expenses for the Period ended June 30, 2024, stood at Rs. 15.14 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 18.63 Lakhs, which represents 1.34% and 0.48% of the Total Income of corresponding periods respectively. This was mainly due to increase in electricity expenses, professional fees paid to consultant and amount paid towards increase of authorized capital.

◆ **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Period ended June 30, 2024, stood at Rs. 0.80 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 2.19 Lakhs, which represents 0.07% and 0.06% of the total income of corresponding period respectively. It is calculated for the period and values, as per the utilization of assets for the Company's business.

◆ **Finance Cost**

Finance Cost for the Period ended June 30, 2024, stood at Rs. 1.63 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 8.36 Lakhs, which represents 0.14% and 0.21% of the Total Income of corresponding periods respectively this decrease was due to repayment of business loans.

◆ **Restated Profit before Tax**

The restated profit before tax for the Period ended June 30, 2024, stood at Rs. 136.53 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 444.66 Lakhs, which represents 12.13% and 11.38% of the Total Income of corresponding periods respectively, on account of increased levels of operations, resulted into better utilization of the resources and lesser finance cost.

◆ **Restated Profit after Tax**

The restated profit after tax for the Period ended June 30, 2024, stood at Rs. 102.16 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 332.76 Lakhs which represents 9.08% and 8.51% of the Total Income of corresponding periods respectively, in line with Profit before Tax.

Conclusion for increase in PAT margin:

Strategic expansion: As company expanded from purely trading of pharmaceutical products to combination of manufacturing and trading. It increased their profit margin slightly from 8.51% to 9.08%.

DETAILS OF FINANCIAL YEAR 2024 COMPARED TO FINANCIAL YEAR 2023 (BASED ON RESTATED FINANCIAL STATEMENTS)

Revenues

◆ Total Income

Total Income for the Financial Year 2023-24, it stood at Rs. 3908.20 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 2773.69 Lakhs representing an increase of 40.90%. This is due to increase in revenue from operations.

◆ Revenue of operations

Net revenue from operations For the Financial Year 2023-24 stood at Rs. 3907.19 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 2764.68 Lakhs representing an increase of 41.33%. As company had backward integration due to initiation of manufacturing of nutraceuticals and intimate products, its revenue increased. Also, as sole proprietorship was acquired by company, another director Dabhi Vipul Gobarbhai was added, he bought significant business for the company, which further increased their revenue from operations.

◆ Other Income

Other Income for the Financial Year 2023-24 stood at Rs. 1.01 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 9.01 Lakhs representing a decrease of ₹ 8 lakhs. This is due to profit incurred in sale of fixed asset during the FY 2022-23.

Expenditure

◆ Total Expenses

Total Expenses for the Financial Year 2023-24 stood at Rs. 3463.54 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 2650.62 Lakhs representing increase of 30.66%. This can be contributed to many factors as discussed below:

◆ Purchase of Stock in Trade

Purchase of Stock in Trade for the Financial Year 2023-24 stood at Rs. 3483.99 Lakh whereas in Financial Year 2022-23 it stood at Rs. 2622.78 Lakh representing an increase of 32.84% of the purchases stock in trade of FY 2023-24. As revenue increased, company's demand for stock in trade increased as well in line with increasing sales orders of the company.

◆ Change in Inventory

Total change in inventory for the Financial Year 2023-24, stood at Rs. (128.71) lakhs whereas in financial

year 2022-23 it stood at Rs. (10.20) lakhs, representing decrease of ₹118.51 lakhs. It was because as business of sole proprietor was acquired, inventory of stock in trade was not carried forward, thus there was no opening stock as on 3rd July, 2024, showing significant change in inventory.

◆ **Cost of Material Consumed**

Total cost of material consumed for the Financial Year 2023-24, stood at Rs. 63.97 Lakh. The increase is due to expansion in the manufacturing of Sanitary pads and Vitastep Z (Energy Powder) starting from the last quarter of FY 2023-24.

◆ **Employment Benefit Expenses**

Employee benefit expenses for the Financial Year 2023-24 stood at Rs. 15.11 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 11.32 Lakhs representing an increase of 33.48%, this was due to increase in no. of employees from 6 to 8, which led to higher salary expense. Also, employees were increased to incorporate the backward integration plan of the company.

◆ **Other Expenses**

The Other Expenses for the Financial Year 2023-24 stood at Rs. 18.63 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 6.89 Lakhs representing a increase of 170.39%, this is primarily because of increase in rent expenses, increase in ROC fees due to increase in authorized capital from ₹1 lakh to ₹3 cr. and discount given to suppliers.

◆ **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Financial Year 2023-24, stood at Rs. 2.19 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 6.54 Lakhs, representing a decrease of 66.51% mainly due to transfer of fixed assets from sole proprietorship to company which does not include personal assets, which were shown in sole proprietor's business, thus, reducing the depreciation expenses.

◆ **Finance Cost**

Finance Cost for the Financial Year 2023-24, stood at Rs. 8.36 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 13.3 Lakhs representing a decrease of 36.9%, this was due to repayment of loans in FY 2022-23.

◆ **Restated Profit before Tax**

The restated profit before tax For the Financial Year 2023-24 stood at Rs. 444.66 Lakhs. Whereas for the Financial Year 2022-23, it stood at Rs. 123.07 Lakhs, representing an increase of 261.34%. It is primarily due to increase in revenue from operations and higher profit margin in intimate products and nutraceuticals product. Also salvage of depreciation and finance cost as compared to Financial Year 2022-23.

◆ **Restated Profit after Tax**

The restated profit after tax For the Financial Year 2023-24 stood at Rs. 332.76 Lakhs. Whereas for the Financial Year 2022-23, it stood at 92.10 Lakhs, in line with the increase in scale of operations, increase in revenue.

Revenues**◆ Total Income**

Total Income for the Financial Year 2022-23 stood at Rs. 2773.69 Lakhs. Whereas for the Financial Year 2021-22, it stood at 762.44 Lakhs, representing increase of 263.79%. The increase is due to increase in total revenue from operations.

◆ Revenue from operations

Revenue from Operations for the Financial Year 2022-23 stood at Rs. 2764.68 Lakhs. Whereas for the Financial Year 2021-22, it stood at 762.44 Lakhs representing increase of 262.61% due to increase in supply of surgical products and instruments. It was primarily due to the large order received from Kavyadi Medical Store resulting in approximately 40% of total revenue from operations.

◆ Other Income

Other Income for the Financial Year 2022-23 stood at Rs. 9.01 Lakhs. Whereas for the Financial Year 2021-22, it was nil representing an increase of ₹9.01 lakhs. This is due to profit incurred on sale of fixed asset during the FY 2022-23.

Expenditure**◆ Total Expenses**

Total Expenses for the Financial Year 2022-23 stood at Rs. 2650.62 Lakhs. Whereas for the Financial Year 2021-22, it stood at 737.09 Lakhs representing an increase of 259.61%, this is due to increase in purchase of stock in trade.

◆ Purchase of Stock in Trade

Purchase of Stock in Trade for the Financial Year 2022-23 stood at Rs. 2622.78 Lakh whereas in Financial Year 2021-22 it stood at Rs. 723.90 Lakh representing an increase of 262.31% of the purchases stock in trade of FY 2022-23. As revenue increased, company's demand for stock in trade increased as well in line with increasing sales orders of the company.

◆ Change in Inventory

Total change in inventory for the Financial Year 2022-23, stood at Rs. (10.20) lakhs whereas in financial year 2021-22 it stood at Rs. (18.90) lakhs, representing increase of ₹8.7 lakhs. On the basis of revenue growth, company increase stock in trade in the FY 2022-23 to full fill the sales order on timely basis.

◆ Employment Benefit Expenses

The Employee Benefit Expenses for the Financial Year 2022-23 stood at Rs. 11.32 Lakhs. Whereas for the Financial Year 2021-22, it stood at Rs. 11.4 Lakhs representing a decrease of 0.70%. Employee benefit expenses reduced in FY 2022-23 mainly on account of attrition of higher paid employee.

◆ Other Expenses

The Other Expenses for the Financial Year 2022-23 stood at Rs. 6.89 Lakhs. Whereas for the Financial Year 2021-22, it stood at Rs. 10.28 Lakhs representing a decrease of 32.98%, this was due to lower processing charges, transportation expenses and professional fees.

◆ **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Financial Year 2022-23 stood at Rs. 6.54 Lakhs. Whereas for the Financial Year 2021-22, it stood at Rs. 6.15 Lakhs which is calculated for the period and values, as per the utilization of assets for the Company's business.

◆ **Finance Cost**

The finance costs for the Financial Year 2022-23 stood at Rs. 13.3 Lakhs. Whereas for the Financial Year 2021-22, it stood at Rs. 4.26 Lakhs representing an increase of 212.21%, or increase of ₹9.04 lakhs. This is mainly due to loan proceeds of ₹ 63 lakhs were received during march 2022.

◆ **Restated Profit before Tax**

The restated profit before tax For the Financial Year 2022-23 stood at Rs. 123.07 Lakhs. Whereas for the Financial Year 2021-22, it stood at 25.35 Lakhs representing an increase of 385.48%. This is primarily due to increase in revenue from operations of the company from surgical products. Also, reduction in other expenses as compared to Financial Year 2021-22.

◆ **Restated Profit after Tax**

The restated profit before tax For the Financial Year 2022-23 stood at Rs. 92.10 Lakhs. Whereas for the Financial Year 2021-22, it stood at 18.97 Lakhs. Representing an increase of 385.50% in line with the increase in profit before tax.

Property Plant and Equipment

(₹ in lakhs)

Particulars	30 th June, 2024	FY 2023- 24	FY 2022- 23	FY 2021- 22
Gross Block- Opening Balance	20.26	5.07	55.11	11.55
Addition/(sale) during the year	-	15.19	(50.04)	43.56
Gross Block- Closing Balance	20.26	20.26	5.07	55.11
Accumulated Depreciation- opening balance	4.77	2.58	6.15	-
Depreciation during the year	0.80	2.19	6.54	6.15
Deletion during the year	-	-	(10.11)	-
Accumulated Depreciation- Closing balance	5.57	4.77	2.58	6.15

Total Net block of Tangible assets	14.69	15.49	2.49	48.96
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Cash Flows

The table below summarize our cash flows from our Restated Financial Information for the period ending 30th June, 2024 and financial year ended on March 2024, 2023 and 2022.

Particulars	(₹ in Lakhs)			
	30 th June, 2024	FY 2023-24	FY 2022-23	FY 2021-22
Net cash (used in)/ generated from operating activities	(108.17)	(696.34)	44.16	(40.43)
Net cash (used in)/ generated from investing activities	-	(15.19)	-	(43.71)
Net cash (used in)/ generated from financing activities	109.81	700.07	(34.83)	85.36
Net increase/(decrease) in cash and cash equivalents	1.64	(11.46)	9.33	1.23
Cash and Cash Equivalents at the beginning of the period	0.97	12.43	3.10	1.87
Cash and Cash Equivalents at the end of the period	2.61	0.97	12.43	3.10

Net cash from/(used in) Operating Activities

For Period ending June, 2024, net cash flow generated from operating activities was ₹ (108.17) lakhs as compared to Profit Before Tax of ₹ 136.53 lakhs. We had operating profit before working capital changes of ₹ 138.96 lakhs primarily as a result of depreciation and finance cost of ₹ 0.80 lakhs and ₹ 1.63 lakhs respectively.

For fiscal year ending March, 2024, net cash flow from operating activities was ₹(696.34) lakhs as compared to Profit Before Tax of ₹ 444.66 lakhs. We had operating profit before working capital changes of ₹ 455.21 lakhs primarily as a result of depreciation and finance cost of ₹ 2.19 lakhs ₹ 8.36 lakhs respectively.

For fiscal year ending March, 2023, net cash flow from operating activities was at ₹ 44.16 lakhs as compared to Profit Before Tax of ₹ 123.07 lakhs. We had operating profit before working capital changes of ₹ 133.91 lakhs primarily as a result of depreciation and finance cost of ₹ 6.54 lakhs and ₹ 13.30 lakhs respectively and profit on sale of fixed asset of ₹ 9.01 lakhs.

For fiscal year ending March, 2022, net cash flow from operating activities was ₹ (40.43) lakhs as compared to Profit Before Tax of ₹ 25.35 lakhs. We had operating profit before working capital changes of ₹ 35.76 lakhs primarily as a result of depreciation and finance cost of ₹ 6.15 lakhs and ₹ 4.26 lakhs respectively.

Net cash from/(used in) Investing Activities

For Period ending June, 2024, there is no cashflow from investing activity.

For fiscal year ending March, 2024, net cashflow from investing activities was ₹ (15.19) lakhs due to investments made in fixed assets.

For fiscal year ending March, 2023, there is no cash flow from investing activity.

For fiscal year ending March, 2022, net cashflow from investing activities was at ₹ (43.71) lakhs due to purchase of fixed asset of ₹ 43.56 lakhs.

Net cash Flow from/(used in) Financing Activities

For the period ended June 2024, net cash flow from financing activities was ₹ 109.81 lakhs due to proceeds received from issuance of equity share capital of ₹ 100 lakhs, along with proceeds received from long term borrowings ₹ 15.44 lakhs. It incurred repayments of short-term borrowings ₹ (4.0) lakhs, and finance cost of ₹ (1.63) lakhs.

For the fiscal year ending March, 2024, net cash flow from financing activities was ₹ 700.07 lakhs due to repayment of equity share capital or fund by promoters of ₹ 5.80 lakhs, it incurred repayment of long-term borrowings ₹ (18.90) lakhs and proceeds from short term borrowings of ₹ 733.13 lakhs. It also incurred finance cost of ₹ (8.36) lakhs.

For fiscal year ending March 2023, net cash flow from financing activities was ₹ (34.83) lakhs due to withdrawal of funds by proprietor of ₹ (4.83) lakhs along with repayment of long-term borrowings of ₹ (20.38) lakhs, proceeds from short-term borrowings of ₹ 3.68 lakhs. It incurred finance cost of ₹ (13.30) lakhs.

For fiscal year ending March, 2022, net cash flow from financing activities was ₹ 85.36 lakhs due to proceeds from short-term and long-term borrowings of ₹ 23.43 and ₹ 69.90 lakhs respectively along with finance cost of ₹ (4.26) lakhs and withdrawal of funds by proprietor of ₹ (3.71) lakhs.

Financial Indebtedness

Please see “Financial Indebtedness” for a description of broad terms of our indebtedness on **253** of this Draft Prospectus. The company has an impeccable record of servicing its debts and has consistently reduced its dependence on institutional finance, there are negligible chances of any default. In the event our lenders declare an event of default, such current and any future defaults could lead to acceleration of our obligations, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our business, results of operations and financial condition.

Off-balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements along with contingent liabilities as of **June 30, 2024**.

Outstanding Dues to Trade Payables

For purposes of the disclosure in Issue Document pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended, the Board of Directors of the Company has identified a materiality threshold 5% of Trade payable pursuant to a resolution dated 27 November 2024 and the amounts owed as of June 30 2024 by the Company to any small scale undertaking and any other creditor equal or exceeding such materiality threshold is identified in summary form as brought out in the tables below.

Creditors of amount more than threshold limit :-

<i>Name of Material Creditor</i>	<i>Amount (₹ Lakhs)</i>
Creditor 1	401.09
Creditor 2	164.24
Creditor 3	40.09
Total	605.42

INFORMATION REQUIRED AS PER ITEM (II) (C) (iv) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS:

1. Unusual or infrequent events or transactions

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled Risk Factors beginning on page 27 of this Draft Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in this Draft Prospectus, particularly in the sections Risk Factors and Management 's Discussion and Analysis of Financial Condition and Results of Operations on pages 27 and 237, respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations

4. 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 can be impacted by an increase in labour costs as the company looks to hire talent with new skills and capabilities for the digital economy who may be in short supply.

5. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by competition, demand/supply situation, Indian Government Policies, and interest rates quoted by banks & others.

6. 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.

Increases in our revenues are by and large linked to increases in the volume of business. The company started manufacturing of intimate products and nutraceutical product along with the trading of these products.

7. Total turnover of each major industry segment in which the issuer company operates.

The Company is operating in Pharma Sector. Relevant industry data, as available, has been included in the chapter titled "Our Industry" beginning on page 102 of this Draft Prospectus.

8. Status of any publicly announced new products or business segments

Our Company has not announced any new services and product and segment / scheme, other than disclosure in this Draft Prospectus.

9. The extent to which the business is seasonal.

Our business is not seasonal in nature. The company mitigates the seasonal availability of main raw material – paddy through bulk and forward purchases during the availability period. The plant works round the clock throughout the year.

10. Competitive Conditions

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled “Our Business” on page 127 of this Draft Prospectus.

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FINANCIAL INDEBTEDNESS

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of the issuer Company, **MEDISTEP HEALTHCARE LIMITED** and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the financial indebtedness of the company as at 30th June 2024 are as mentioned below:

(All amounts in ₹ lacs, unless otherwise stated)

Nature of Borrowing	Outstanding as on 30/06/2024
Secured Loan (A)	4.92
Unsecured Loan (B)	39.14
Total	44.06

A. Secured Loans

(All amounts in ₹ lacs, unless otherwise stated)

Name of Lender	Purpose	Sanctioned Amount (Rs.)	Outstanding As on 30/06/2024
Kankariya Maninagar Citizens Cooperative Bank Ltd.	Working capital	5.00	4.92
Total		5.00	4.92

Kankariya Maninagar Citizens Cooperative Bank Ltd.:

Facility	Working Capital
Overall Loan Limit	5.00
Date of Sanction	21-10-2020
Interest	14.00%
Repayment	On Demand
Primary Security	Secured against stock of the company.
Collateral Security:	NA

B. Unsecured Loans

(All amounts in ₹ lacs, unless otherwise stated)

Name of Lender	Purpose	Date of Sanctioned	Repayment Terms	Sanctioned Amount	Outstanding As on 30/06/2024
Ambit Finvest	Business	22-03-2022	36 Installments	8.00	2.82
Poonawalla Fincorp Limited	Business	04-03-2022	36 Installments	12.23	3.73
Ugro Capital Limited	Working Capital	02-03-2022	36 Installments	20.35	6.39
Unity Finance	Business	17-03-2022	36 Installments	10.00	3.52
Loan from director and relative	Business	NA	On Demand	NA	22.67

For Kapish Jain & Associates,

Chartered Accountants,
Firm Registration No: 022743N
Sd/-

CA Kapish Jain

Partner
Membership No: 514162
UDIN: 24514162BKBIAS1081
Place: New Delhi
Date: 27th November 2024

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Draft Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.

Except as disclosed below there are no:

- a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against the Promoters during the last five years;
- b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
- c) pending proceedings initiated against the Company for economic offences;
- d) default and non-payment of statutory dues by the Company;
- e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company laws in the last five years against the Company, including fines imposed or compounding of offences done in those five years;
- f) material frauds committed against the Company in the last five years.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving the Company, Promoters, Directors, and Group Companies/entities, would be considered material for the purposes of disclosure if:

- a) the monetary amount of the claim made by or against the Company, its joint venture(s) and directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company or 25% of the profits before tax of the Company (whichever is lower) as per the last audited financial statements of the Company for a complete financial year, as included in the Offer Documents; or
- b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and
- c) any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.

Accordingly, we have disclosed all outstanding litigations involving the Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of the Company.

I. Litigations involving the Company

A. Against the Company

- 1. Litigation involving Criminal Matters: NIL**
- 2. Litigation involving Civil Matters: NIL**
- 3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- 4. Litigation/Matters involving Tax Liabilities: NIL**

B. By the Company

- 1. Litigation involving Criminal Matters: NIL**
- 2. Litigation involving Civil Matters: NIL**
- 3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- 4. Litigation/Matters involving Tax Liabilities: NIL**

II. Litigations involving Promoters/Directors

A. Against Promoters/Directors

- 1. Litigation involving Criminal Matters: NIL**
- 2. Litigation involving Civil Matters: NIL**
- 3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- 4. Litigation/Matters involving Tax Liabilities: NIL**

B. By Promoters/Directors

- 1. Litigation involving Criminal Matters: NIL**
- 2. Litigation involving Civil Matters: NIL**
- 3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- 4. Litigation/Matters involving Tax Liabilities: NIL**

III. Litigations Involving Company's Group Entities

A. Against the Group Entities: NIL

B. By the Group Entities: NIL

IV. Litigations Relating to the Subsidiary Company

A. Against Directors of the Subsidiary Company: NA

B. By Directors of the Subsidiary Company: NA

Note: The Company has no Subsidiary Company

The company has a contingent liability for which a notice has been received by MG Pharma, a business acquired by our company. The liability pertains to the Goods and Services Tax (GST) for the financial years 2018-19 and 2019-20, amounting to Rs. 2,54,356 and Rs. 3,43,331, respectively. A reply to the notice has been submitted to the department, and the matter is pending further resolution.

V. Other litigations involving any other entities which may have a material adverse effect on the Company

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of the Companies Act, show cause notices or legal notices pending against the company whose outcome could affect the operation or finances of the Company or have a material adverse effect on the position of the Company.

VI. Details of the past penalties imposed on the Company / Directors

Except as disclosed above, there are no cases in the last five years in which penalties have been imposed on the Company or on Directors.

VII. Outstanding dues to Creditors

As per the materiality policy of the Company for disclosing outstanding amounts to creditors. Based on the same, as on 30.06.2024 the Company had outstanding dues to creditors as follows:

Particulars	(Amount in Lakhs)
	30.06.2024
Trade Payables	
Micro, Small & Medium Enterprises	-
Others	795.95
Total	795.95

We certify that except as stated herein above:

- a) There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters, group entities, companies promoted by the promoters during the past three years.
- b) There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
- c) There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- d) There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
- e) There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- f) There are no litigations against the Promoters / Directors in their personal capacity.
- g) The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
- h) There is no material regulatory or disciplinary action by SEBI, stock exchange or regulatory authority in the past five year in respect of the promoters, group company's entities, entities promoted by the promoters of the company.
- i) There are no criminal cases filed or any investigation being undertaken with regard to alleged commission of any offence by any of the Directors. Further, none of the Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.
- j) The issue is in compliance with applicable provision of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.
- k) A contingent liability has been identified against Ms. Prajapati Hetalben Girdharilal pursuant to a demand raised by the GST Department amounting to Rs. 3,43,331/- for the tax period 2018-19. While a notice has been issued concerning the tax period 2022-23, no demand has been raised for this period as of now.

Neither the Company nor any of its promoters or directors is a willful defaulter.

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GOVERNMENT AND OTHER APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page 156 of the Draft Prospectus.

CORPORATE APPROVALS FOR THIS ISSUE

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on June 20, 2024 has approved the Issue, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.
2. The Shareholders have, pursuant to the resolution dated June 20, 2024 under section 62 (1) (c) of the Companies Act 2013, authorized the Issue.

IN-PRINCIPLE APPROVAL

The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

AGREEMENTS WITH NSDL AND CDSL

1. The Company has entered into an agreement dated March 27, 2024, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is Cameo Corporate Services Limited, for the dematerialization of its shares.
2. The Company has also entered into an agreement dated April 19, 2024, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who, in this case, is Cameo Corporate Services Limited, for the dematerialization of its shares.
3. The Company’s International Securities Identification Number (ISIN) is INE0UOY01019.

INCORPORATION DETAILS OF OUR COMPANY

S. No.	Authorisation Granted	Issuing authority	CIN	Date of issue	Valid Upto
1.	Certificate of Incorporation in the name of “Medistep Healthcare Limited”	ROC – Ahmedabad	U21009GJ2023PLC141841	05.06.2023	Perpetual

TAX RELATED AUTHORISATIONS OF COMPANY

S.N.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Permanent Account Number	Income Tax Department, GoI	AAQCM9420P	05.06.2023	Perpetual
2.	Tax Deduction Account Number	Income Tax Department, GoI	AHMM24275G	07.06.2023	Perpetual
3.	Details of GST registration of the Company				
	GST Registration Certificate (Gujarat)	Centre Goods and Services Tax Act, 2017	24AAQCM9420P1ZR	03.07.2023	Valid until cancellation

BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

Sr. No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Valid Upto
1.	Udyog Aadhaar Registration Certificate (MSME)	Ministry of Micro, Small & Medium Enterprises	UDYAM-GJ-01-0337651	13.12.2023	Valid until cancellation
2.	Employees' Provident Fund Organisation	Ministry of Labour and Employment	GJVAT2960842000	-	Valid until Cancellation
3.	FSSAI License	Food Safety and Standards Authority of India	10723999002020	27.12.2023	26.12.2025
4.	Professional Tax	Ahmedabad Municipal Corporation	PEC010320085966	16-07-2024	Valid until cancellation
5.	Drug License (For Shop.No.5, Freeway Trade Center Near A-One Hotel, Nh.8)	Food & Drugs Control Administration Ahmedabad (City)	GJ-ADC-224746 (Form 20B) GJ-ADC-224747 (Form 21B)	June 26, 2023	June 25, 2028
6.	Drug License (For Shop No.215 second Floor Free Way Trade Centre	Food & Drugs Control Administration Ahmedabad (City)	GJ-ADC-227955 ((Form 20B) GJ-ADC-227956 (Form 21B)	September 13, 2023	September 12, 2028

Near A-One Hotel NH-8 Narol Aslali Highway), Ahmedabad-382405				
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Note: We hereby confirm that all approvals/ licenses/ registrations required by the Company for carrying out its operations are disclosed in this chapter.

NO OBJECTION CERTIFICATE (NOC) FROM AUTHORITIES

S. No.	Particulars	Issuing Authority	Issue Date
		NA	

INTELLECTUAL PROPERTY

According to the records provided by the Company, the following trademarks and/or wordmarks have been registered or are subject to objection in the name of the Company or in the name of Promoters under The Trademarks Act, 1999:

<i>Trademark/Wordmark</i>	<i>Date of application</i>	<i>Application number</i>	<i>Class</i>	<i>Current Status</i>
	18.09.2023	6114798	5	Objected
Medistep	18.09.2023	6114795	5	Opposed

IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.

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OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

1. This Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on June 20, 2024.
2. The Shareholders of our Company have authorized this Issue by their Special Resolution passed pursuant to Section 62 (1) (c) of the Companies Act, 2013, at its EGM held on June 20, 2024, and authorized the Board to take decisions in relation to this Issue.
3. The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.
4. Our Board has approved this Draft through its resolution dated December 30, 2024.
5. We have also obtained all necessary approvals required for this Issue. For further details, refer to the chapter titled “*Government and Other Approvals*” beginning on page 257 of this Draft Prospectus.

PROHIBITION BY SEBI

Our Company, Directors, Promoters, members of the Promoter Group and Group Entities or the Director and Promoter of our Promoter Companies, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority or court.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority or court.

PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been declared as willful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof are pending against them.

Our directors have not been declared as willful defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

In view of the General Circular No. 07/2018 dated September 6, 2018 and General Circular No. 8/ 2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company, and our

Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018, upon notification of the relevant forms, as may be applicable to them.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

We confirm that none of our Directors are associated with the securities market in any manner and no action has been initiated against these entities by SEBI in the past five (5) years preceding the date of this Draft Prospectus.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Offer in accordance with Regulation 229 (2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as the post issue face value capital is more than ten crore rupees and up to twenty-five crore rupees. Our Company also complies with the eligibility conditions laid by the Emerge Platform of NSE Limited for listing of our Equity Shares.

We confirm that:

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue ***will be hundred percent underwritten and that the Lead Manager to the Offer will underwrite at least 15% of the Total Issue Size.*** For further details pertaining to said underwriting please refer to “*General Information*” Underwriting on page 55 of this Draft Prospectus.
- b) In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within four (4) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of four (4) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
- c) In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the Lead Manager shall ensure that the Issuer shall file a copy of the Draft Prospectus/ Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Draft Prospectus/ Prospectus with the Registrar of Companies.
- d) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the Lead Manager will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled “*General Information*”, “*Details of the Market Making Arrangements for this Issue*” on page 55 of this Draft Prospectus.
- e) In accordance with Regulation 228 (a) of the SEBI (ICDR) Regulations, Neither the issuer, nor any of its promoters, promoter group or directors or selling shareholders are debarred from accessing the capital market by the Board;
- f) In accordance with Regulation 228 (b) of the SEBI (ICDR) Regulations, none of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board;
- g) In accordance with Regulation 228 (c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a willful defaulter or fraudulent borrower.
- h) In accordance with Regulation 228 (d) of the SEBI (ICDR) Regulations, None of the Issuer ‘s promoters or directors is a fugitive economic offender.

- i) In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited and NSE Limited is the Designated Stock Exchange.
- j) In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.
- k) In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid Up.
- l) In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialized form.

NSE ELIGIBILITY NORMS:

1. The Company has been incorporated under the Companies Act, 2013 in India.
2. The post issue paid up capital of the Company (face value) will more than ten crore rupees and upto twenty-five crore rupees.
3. **Track Record:**
 - a. **The Company should have a track record of at least 3 (three) years.**

Our Company was incorporated on June 5th, 2023 under the provisions of Companies Act, 2013. Further, our company has strategically expanded its operations by acquiring the business of M/s MG Pharma, a proprietorship concern owned by one of our promoters, Ms. Prajapati Hetalben Girdharilal through a business transfer agreement dated July 2, 2023. Therefore, we are in compliance of the track record.

- b. The Company should have operating profit (earnings before interest, depreciation and tax) from operations for at least 2 financial years preceding the application and that the Company has track record of 3 years & the net-worth of the Company should be positive.

Particulars	(Rs. In Lakh)				
	30 June 2024	July 3 rd 2023 to March 31, 2024	April 01, 2023 to 3rd July 2023	March 31, 2023	March 31, 2022
Operating profit (earnings before interest, depreciation and tax)	138.96	396.62	58.59	142.91	35.76
Net-worth	1,371.20	1,169.05	142.12	107.24	33.11

Other Requirements

- The company shall mandatorily facilitate trading in demat securities and will entered into an agreement with both the depositories. Also, the Equity Shares allotted through this Issue will be in dematerialized mode.
- Our Company has a live and operational website: www.medistephc.com
- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against our Company that has been accepted by a court.
- There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.
- There has been no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.
- The company/entity should have positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application.

- Issuer seeking listing shall ensure that none of the merchant bankers involved in the IPO should have instances of any of their IPO draft offer document filed with the Exchange being returned in the past 6 months from the date of application. For this purpose, the left lead merchant banker and any other merchant banker if applicable who shall be responsible for due diligence activity and drafting of the draft offer document / offer document in terms of the Lead Managers' Inter-se Allocation of Responsibilities shall be considered.

However, there are 3 Offer Documents of Fast Track Finsec Private Limited, which has been returned by NSE. However, each of these DRHPs was returned before the filing the Draft Prospectus. Details of the returned IPOs are as follows:

S. No.	Name of Entity	Date of Return
1	Everon Power Limited	October 04, 2024
2	Trishil Algocomm Technologies Limited	October 04, 2024
3.	Cleanux Green Solution Limited	October 23, 2024

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the NSE Emerge.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MANAGER FAST TRACK FINSEC PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MANAGER, FAST TRACK FINSEC PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FAST TRACK FINSEC PRIVATE LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED DECEMBER 30, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018

Note:

The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the LM any irregularities or lapses in the Draft Prospectus.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.ftfinsec.com & www.medistephc.com would be doing so at his or her own risk.

CAUTION

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, *etc.* The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakh, pension funds with minimum corpus of Rs. 2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Gujarat only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Prospectus had been filed with NSE Emerge for its observations and NSE Emerge gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this

date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with applicable laws, legislations and Draft Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share 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 FROM OUR COMPANY, OUR DIRECTORS AND THE LEAD MANAGER

Our Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft 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, including our Company’s website, www.medistephc.com, or the websites of the members of our Promoter Group, would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the Issue Agreement entered between the LM (Fast Track Finsec Private Limited) and our Company on December 02, 2024, and the Underwriting Agreement dated [•] entered into between the Underwriters and our Company and the Market Making Agreement dated [•] entered into among the Market Maker, LM and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services

for, our Company, our Promoter Group, Group Entity, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entity, and our affiliates or associates, for which they have received and may in future receive compensation.

Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and LM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not Issue, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriter and LM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

FILING OF DRAFT PROSPECTUS/ PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of the Draft Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of Draft Prospectus/ Prospectus, will also be filed with the SME Platform of NSE Emerge, where the Equity Shares are proposed to be listed.

A copy of the Prospectus, along with the material contracts, documents and the Prospectus will also be filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE

NSE Limited (NSE) has given vide its letter dated [●] permission to this Company to use its name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed on the Emerge Platform. NSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. NSE Limited does not in any manner: -

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offer or will continue to be listed on NSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by NSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE, whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other

reason whatsoever.

- v. NSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the Emerge platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by NSE / other regulatory authority. Any use of the Emerge platform and the related services are subject to Indian Laws and Courts exclusively situated in Ahmedabad.

TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

Price Information of past issues handled by the Lead Manager

Price Information of past issues handled by the Lead Manager:

S. No.	Issuer Name	Issue Size (Rs. in Cr.)	Issue Price (Rs.)	Listing Date	Operating Price on Listing Date	+/-% change in closing price, [+/-% change in closing benchmark]-30th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]-90th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]-180th calendar days from listing	SME/ Main Board
1.	Gajanand International Limited	20.64	36.00	September 16, 2024	42.00	(42.60) (1.62)	(50.13) (4.12)	Not Applicable	SME
2.	Ambey Laboratories Limited	42.55	68.00	July 11, 2024	89.25	(26.16) 0.13	(29.94) 2.74	Not Applicable	SME
3.	Akiko Global Services Limited	23.11	77.00	July 02, 2024	93.35	(18.80) 3.67	(14.30) 6.99	Not Applicable	SME
4.	Enser Communications Limited	16.17	70.00	March 22, 2024	70.1	(2.99) 1.08	146.36 6.65	274.54 15.03	SME
5.	Sungarner Energies Limited	5.31	83.00	August 31, 2023	262.35	(17.66) (0.95)	(27.57) 4.37	23.91 15.29	SME
6.	Pearl Green Clubs and Resorts	11.71	186.00	July 07, 2022	198.50	3.27 11.95	(0.50) 45.52	(2.92) 102.80	SME
7.	Globesecure Technologies Limited	10.12	29.00	June 02, 2022	37.10	212.94 (5.35)	313.07 14.94	125.47 38.57	SME
8.	Jeena Sikho Lifecare Limited	55.50	150.00	April 19, 2022	173.35	(12.69) (2.42)	(18.16) (7.09)	(15.17) 22.78	SME
9.	SBL Infratech Limited	2.37	111.00	September 28, 2021	125.00	(55.20) (0.53)	(64.8) (3.77)	(47.72) (3.48)	SME
10.	Kranti Industries	2.09	37.00	February 28	36.95	(1.22)	2.84	(12.04)	SME

	Limited			2019		(8.38)	1.62	(3.16)	
11.	Goblin India Limited	15.20	52.00	October 15, 2019	56.60	125.71	80.21	(27.20)	SME
						4.62	8.70	(20.29)	
12.	Ascom Leasing and Investments Limited	6.32	30.00	December 06, 2019	30.00	5.00	0.00	15.83	SME
						(0.60)	(5.47)	(15.60)	
13.	Trekkingtoes.Com Limited	4.54	105.00	August 28, 2020	99.75	(55.59)	(59.90)	(67.92)	SME
						(3.77)	12.14	28.67	

Summary Statement of Disclosure

*Upto the date of this Draft Prospectus

Financial Year	Total no. of IPOs	Total Amount of Funds raised (Rs. Cr.)	No. of IPOs trading at discount-30th calendar days from listing			No. of IPOs trading at premium-30th calendar days from listing			No. of IPOs trading at discount-180th calendar days from listing			No. of IPOs trading at premium-180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25*	3	86.31	-	2	-	-	-	-	-	-	-	-	-	-
2023-24	1	21.48	-	-	-	1	-	-	-	-	-	-	-	-
2022-23	3	77.32	-	-	1	1	-	1	-	-	2	1	-	-
2021-22	1	2.37	1	-	-	-	-	-	-	1	-	-	-	-
2020-21	1	4.54	1	-	-	-	-	-	1	-	-	-	-	-
2019-20	2	21.52	1	-	1	-	-	-	-	1	1	-	-	-
2018-19	1	2.09	-	-	1	-	-	-	-	-	1	-	-	-

Notes:

1. In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.

2. Source: www.bseindia.com and www.nseindia.com

For details regarding the track record of the Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the Lead Manager as set forth in the table below:

Sr. No.	Name of the Lead Manager	Website
1	Fast Track Finsec Private Limited	www.ftfinsec.com

LISTING

Application will be made to the NSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of NSE Limited has given its in-principle approval for using its name in our Offer documents vide its letter no. [.] dated [.]

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE Limited, our Company will forthwith repay, without interest, all moneys received from the Applicant in pursuance of the Draft Prospectus. If such money is not repaid within 4 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then our Company and

every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application.

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 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

CONSENTS

The written consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the LM to the Issue, Registrar to the Issue, Market Maker*, Banker to the Issue*, and Underwriter* to act in their respective capacities have been obtained.

**To be obtained at the Prospectus stage*

Above consents will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been 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, 2018, our Company has received written consent dated May 29, 2024 from the Peer Reviewed Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as a Statutory Auditor and in respect of its (i) examination report dated November 27th, 2024 on our restated financial information; and (ii) its report dated November 27th, 2024 on the statement of special tax benefits in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

EXPERT OPINION

Except for the reports in the sections “*Statement of Special Tax Benefits*” and “*Financial Information*” on pages **99** and **196**, respectively of this Draft Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditor for inclusion of their name in this Draft

Prospectus, as required under Companies Act read with SEBI (ICDR) Regulations as “Expert”, defined in section 2(38) of the Companies Act and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1933.

PREVIOUS PUBLIC OR RIGHTS ISSUE

Our Company has not made public issue or rights issue under SEBI ICDR Regulations, in the past. For details of rights issues please refer chapter titled “*Capital Structure*” beginning on page no. 64 of this Draft Prospectus.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

CAPITAL ISSUE DURING THE LAST THREE YEARS

For details of the capital issued of our Company in past three years, please refer chapter titled “Capital Structure” beginning on page no 64 of this Draft Prospectus. Our Company does not have any subsidiary, listed group companies or associates, as of the date of this Draft Prospectus.

PERFORMANCE VIS-A-VIS OBJECTS

Except as stated in the chapter titled “*Capital Structure*” beginning on page 64 of this Draft Prospectus, our Company has not undertaken any previous public or rights issue. None of the Entities or associates of our Company are listed on any stock exchange.

PERFORMANCE VIS-À-VIS OBJECTS –PUBLIC/ RIGHTS ISSUE OF SUBSIDIARIES/ LISTED PROMOTER

As on the date of this Draft Prospectus, our Company does not have any subsidiaries. Further, we do not have a corporate promoter.

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021,

SEBI/HO/CFD/DIL2/CIR/P/2022/51 date April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). ‘T’ being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall follow the timeline prescribed under the SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Draft Prospectus.

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 (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

Name of the Director	Designation in the Committee	Nature of Directorship
Dodiya Kapilbhai Raysinhbhai	Chairperson	Non-Executive Independent Director
Girdhari Lal Prajapat	Member	Managing Director
Dabhi Vipul Gobarbhai	Member	Executive Director

Company Secretary and Compliance Officer of Company, who can be contacted for any pre-issue or post-issue related problems at the following address:

MEDISTEP HEALTHCARE LIMITED
05, S. No.-245/B, Plot-19, T.P.S. 56,
Free Way Trade Center, Nr. A-One Hotel,
N.H.-8, Narol Gam, Narol, Ahmedabad, Daskroi, Gujarat, India, 382405
Telephone: +91 87808 46963
E-mail: Info@medistephc.com

Till date of this Draft Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page no.64 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

LISTED VENTURES OF PROMOTER

There are no listed ventures of our Company or of our Promoter as on date of filing of this Draft Prospectus.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Prospectus.

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

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

CAPITALISATION OF RESERVE OR PROFITS REVALUATION OF ASSETS

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page no. 64 of this Draft Prospectus, our Company has not capitalized its reserves or profits since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Prospectus. Except as stated elsewhere in this Draft Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled "Our Management" and "Related Party Transactions" beginning on pages no. **170** and **194** respectively of this Draft Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

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SECTION VIII - ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN) and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

THE OFFER

Fresh Issue of 37,44,000 Equity Shares of our Company. The fees and expenses relating to the Offer shall be borne by our Company in accordance with applicable law. For details in relation to the sharing of Offer expenses amongst our Company and the Selling Shareholder, see “Objects of the Offer” on page no 77 of this Draft Prospectus.

RANKING OF EQUITY SHARES

The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being offered and allotted shall be subject to the provisions of the Companies Act 2013, our Memorandum of Associations and Articles of Association shall rank pari passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “Main Provisions of the Articles of Association” beginning on page 310 of this Draft Prospectus.

AUTHORITY FOR THE ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on June 20, 2024 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the EGM of the Company held on June 20, 2024.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. Dividends, if any, declared by our Company after the date of Allotment, will be payable to the transferee who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, please refer to the chapter titled Dividend

Policy beginning on page **195** of this Draft Prospectus.

FACE VALUE AND ISSUE PRICE

The face value of each Equity Share is Rs.10/-. The Issue Price of Equity Shares is Rs. [●]/- per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled "Basis for Issue Price" beginning on page **89** of this Draft Prospectus.

COMPLIANCE WITH THE DISCLOSURE AND ACCOUNTING NORMS

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDER

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "Main Provisions of Articles of Association" on page **310** of this Draft Prospectus.

ALLOTMENT ONLY IN DEMATERIALIZED FORM

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Prospectus:

- Tripartite agreement dated March 27, 2024 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated April 19, 2024 among NSDL, our Company and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate can be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

MARKET LOT AND TRADING LOT

Since the trading of Equity shares is in dematerialised form, the tradable lot is One Equity Share. Allotment in this offer will be in multiples of one Equity Share subject to minimum Allotment of [●] Equity Shares. For further details, see “Issue Procedure” on page 283 of this Draft Prospectus.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

JOINT HOLDERS

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

JURISDICTION

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

NOMINATION FACILITY TO THE INVESTOR

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being an nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be titled to make 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 Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the

equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

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 64 of this Draft Prospectus 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 310 of this Draft Prospectus.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the equity shares will happen in the minimum contract size of [●] 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.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments issued by our Company. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the LM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA applicant within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

MINIMUM SUBSCRIPTION

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled "General Information" on page 55 of this Draft Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Period of Subscription List of the Public Issue

Event	Indicative Date
Offer Opening Date	[•]
Offer Closing Date	[•]
Finalization of Basis of Allotment with the Designated Stock Exchange	[•]
Initiation of Refunds	[•]
Credit of Equity Shares in Demat Accounts of Allottees	[•]
Commencement of trading of the Equity Shares on the Stock Exchange	[•]

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholder and the Lead Manager. Whilst our Company and the Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Selling Shareholder confirm that they shall extend complete co-operation required by our Company and the Lead Manager for the completion of the Prospectus, necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within 3 Working Days from the Offer Closing Date, or within such other period as may be prescribed.

MIGRATION TO MAIN BOARD

In accordance with the National Stock Exchange of India Limited Circular dated April 20, 2023, our Company will have to be mandatorily listed and traded on the Emerge Platform of the NSE for a minimum period of 3 (Three) years from the date of listing and only after that it can migrate to the Main Board of National Stock Exchange of India Limited as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations. Our company may migrate to the main board of NSE Limited at a later date subject to the following:

- a. *If the Paid-up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to NSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. *If the paid-up Capital of our company is more than Rs. 10 Crores but below Rs. 25 Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

MARKET MAKING

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of NSE Limited with compulsory market making through the registered Market Maker of the Emerge Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE Limited. For further details of the market making arrangement please refer

to chapter titled General Information beginning on page 55 of this Draft Prospectus.

RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter Capital Structure beginning on page 64 of this Draft Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the 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.

OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM

In accordance with the SEBI (ICDR) Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

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ISSUE STRUCTURE

This Offer has been made in terms of Regulation 229(2) (of Chapter IX of SEBI ICDR Regulations whereby, our post-Offer face value capital does not exceed twenty-five crore rupees. The Company shall issue specified securities 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 Offer, please refer to the chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page 274 and 283 of this Draft Prospectus.

PRESENT ISSUE STRUCTURE

Initial Public Offering of up to 37,44,000 Equity Shares of Rs. 10/- each ("Equity Shares") of Medistep Healthcare Limited' ("MHL" or the "company") for cash at a price of Rs. [●]/- per equity share (the "Issue Price"), aggregating to Rs. [●] Lakhs ("The Issue"). Out of the Issue, [●] equity shares aggregating to Rs. [●] Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion"). The offer less the Market Maker Reservation Portion i.e. Issue of [●] equity shares of face value of Rs. 10.00/- each at an issue price of Rs. [●] /- per equity share aggregating to Rs. [●] Lakhs is hereinafter referred to as the "Net Issue". The offer and the net offer will constitute [●] % and [●] %, respectively of the Post Issue paid up equity share capital of our company.

Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation	[●]	[●]
Percentage of Issue Size available for allocation	[●] (50% to Retail Individual Investors and the balance 50% to other Investors)	[●]
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to the "Basis of Allotment" on page 296 of this Draft Prospectus	Firm Allotment
Mode of Application	All the Applicants must compulsorily apply through the ASBA Process or through UPI for Retail Investors.	Through ASBA Process Only.
Minimum Application Size	For Non-Individual Investors: Such Number of Equity Shares in multiples of [●] equity shares such that the application value exceeds Rs. [●] For Retails Individuals: [●] Equity Shares	Application size shall be [●] equity shares since there is firm allotment.
Maximum Application Size	For Non-Individual Investors: Not exceeding the size of the Issue, subject to limits as applicable to the Bidder For Retails Individuals: Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not	Application size shall be [●] equity shares since there is a firm allotment.

	exceed ₹ 2,00,000	
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	[●] Equity Shares	[●] Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.	The entire Application Amount will be payable at the time of submission of the Application Form.

Note:

1. 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.
2. Applicants will be required to confirm and will be deemed to have represented to our Company, the LM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.
3. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

LOT SIZE

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the Circular) standardized the lot size for Initial Public Offer proposing to list on Emerge exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in Rs.)	Lot Size (No. of shares)
Upto 14	10000
More than 14 upto 18	8000
More than 18 upto 25	6000
More than 25 upto 35	4000
More than 35 upto 50	3000
More than 50 upto 70	2000
More than 70 upto 90	1600
More than 90 upto 120	1200
More than 120 upto 150	1000
More than 150 upto 180	800
More than 180 upto 250	600
More than 250 upto 350	400
More than 350 upto 500	300
More than 500 upto 600	240
More than 600 upto 750	200
More than 750 upto 1000	160
Above 1000	100

Further to the Circular, at the initial public offer stage the Registrar to Issue in consultation with Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the initial public offer lot size at the application/allotment stage, facilitating secondary market trading.

*50% of the shares offered are reserved for applications below Rs.2.00 lakh and the balance for higher amount applications.

ISSUE OPENING DATE	[•]
ISSUE CLOSING DATE	[•]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue closing date when applications will be accepted only between 10.00 a.m. to 2.00 p.m.

In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bidform, for a particular bidder, the detail as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

Standardization of cut-off time for uploading of applications on the issue closing date:

- (a) A standard cut-off time of 3.00 PM for acceptance of applications.
- (b) A standard cut-off time of 4.00 PM for uploading of applications received from non-retail applicants i.e. QIBs, HNIs and employees (if any).

A standard cut-off time of 5.00 PM for uploading of applications received from only retail applicants, which may be extended up to such time as deemed fit by Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by Lead Manager to the Exchange within half an hour of such closure.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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ISSUE PROCEDURE

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft 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 Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus.

Pursuant to the SEBI ICDR Regulations, the ASBA process is mandatory for all investors excluding Anchor Investors and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Application forms. All Applicants shall ensure that the ASBA Account has sufficient credit balance such that the full Application Amount can be blocked by the SCSB at the time of submitting the Application. Applicants applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. 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 <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on <http://www.nseindia.com>. For details on their designated branches for submitting Application Forms, please refer the above mentioned NSE website.

FIXED PRICE ISSUE PROCEDURE

This Issue is being made in terms of Chapter IX of SEBI (ICDR) Regulations, 2018 via Fixed Price Process.

Applicants are required to submit their Applications to the SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to an 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.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

As per the provisions Section 29(1) of the Companies Act, 2013, the Allotment of Equity Shares in the Issue shall be only in a de-materialized form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). The Equity Shares on Allotment shall, however, be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

Our Company or the Lead Managers 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.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office

of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

Phased implementation of Unified Payments Interface

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a. Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual applicant, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.
- b. Phase II: This phase commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual 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.
- c. 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 the facility of making applications in public issues are required to provide a facility to make applications using the UPI Mechanism. Further, in accordance with the UPI Circulars, our Company has appointed ICICI Bank Limited as the Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Investors into the UPI mechanism.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

A Retail Individual Investor making applications using the UPI Mechanism shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in the Offer. The SCSBs, upon receipt of the Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchange. Applications made by the Retail Individual Investors using third party bank accounts or using UPI IDs linked to the bank accounts of any third parties are liable for rejection. The Bankers to the Issue shall

provide the investors' UPI linked bank account details to the RTA for the purpose of reconciliation. Post uploading of the Bid details on the bidding platform, the Stock Exchanges will validate the PAN and demat account details of Retail Individual Investors with the Depositories.

Application Form used by ASBA applicants. Upon completing and submitting the Application Form for Applicants to the SCSB, the Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII', FVCIs etc. applying on a repatriation basis	Blue

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. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus.

Note:

- ◆ Details of depository account are mandatory and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities re-materialized subsequent to allotment.
- ◆ The shares of the Company, on allotment, shall be traded on stock exchanges in demat mode only.
- ◆ Single bid from any investor shall not exceed the investment limit/maximum number of specified securities that can be held by such investor under the relevant regulations/statutory guidelines.
- ◆ The correct procedure for applications by Hindu Undivided Families and applications by Hindu Undivided Families would be treated as on par with applications by individuals;

SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- i. An SCSB, with whom the bank account to be blocked, is maintained;
- ii. A syndicate member (or sub-syndicate member);
- iii. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (broker);
- iv. A depository participant (DP) (Whose name is mentioned on the website of the stock exchange as eligible for this activity);
- v. A registrar to an issuer and share transfer agent (RTA) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investorsto SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in theelectronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For Applications submitted by investors to intermediaries otherthan SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking the of funds within one day of closure of Issue.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

WHO CAN APPLY?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines: -

- Indian nationals’ resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional applicants’ category;
- Venture Capital Funds registered with SEBI;

- Foreign Venture Capital Investors registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of Rs. 2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs. 2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy or air force of the Union of India
- Any other person eligible to applying in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

As per the existing regulations, OCBs cannot participate in this Issue.

PARTICIPATION BY ASSOCIATES OF LM

The LM shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. All categories of Applicants, including associates and affiliates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue and The Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE Limited i.e., <https://www.nseindia.com/>.

OPTION TO SUBSCRIBE IN THE ISSUE

- a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.
- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.

- c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION

Application must be made only in the names of individuals, limited companies or Statutory Corporations/institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to reject any 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. As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the 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 funds/Schemes. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate 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 thereof.

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.

APPLICATIONS BY ELIGIBLE NRI

NRIs may obtain copies of Application Form from the offices of the Lead Manager and 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) ASBA 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.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated May 03, 2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to

file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis. Allotment of Equity shares to non-residents Indians shall be subject to the prevailing Reserve Bank of India guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with a income thereon subject to permission of the RBI and subject to the Indian Tax Laws and Regulations and any other applicable laws. The company does not require approvals from FIPB or RBI for the issue of equity shares to eligible NRIs, FIIs, Foreign Venture Capital Investors registered with SEBI and multi-lateral and Bi-lateral development financial institutions.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in color).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in color).

APPLICATIONS BY ELIGIBLE FIIs/FPIs

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations.

An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI

FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

FPIs who wish to participate in the Offer are advised to use the Application Form for Non-Residents (blue in color). FPIs are required to apply through the ASBA process to participate in the Offer.

APPLICATIONS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the “SEBI VCF Regulations”) and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the “SEBI AIF Regulations”) prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited Liability Partnerships can participate in the Issue only through the ASBA Process.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the IRDA Investment Regulations), are broadly set forth below:

1. Equity shares of a company: the least of 10% of the investee company’s subscribed capital (face value) or

- 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
 3. The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000.00 million or more but less than ₹2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

APPLICATIONS BY BANKING COMPANIES

Applications by Banking Companies: In case of 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 and the Selling Shareholders reserve the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, 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 aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. 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 SCSBs: SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs

(subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c) With respect to applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the lead manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Applicants

The Application must be for a minimum of [●] Equity Shares. As the Application Price payable by the Applicant cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for [●] Equity Shares.

b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the

investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

INFORMATION FOR THE APPLICANTS:

- a) Our Company will file the Prospectus with the Registrar of Companies, Ahmedabad, at least 3 (three) days before the Issue Opening Date.
- b) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office or from the office of the LM.
- c) Applicants who are interested in subscribing for the Equity Shares should approach the LM or their authorized agent(s) to register their applications.
- d) Applications made in the name of minors and/ or their nominees shall not be accepted.

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. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand payable at Mumbai.

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 Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE Limited i.e. www.nseindia.com.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as Demographic Details). Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the NSE. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
 - a) For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 1. Each successful applicant shall be allotted [●] equity shares; and
 2. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
 - b) If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
 - c) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.
 - d) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 1. As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 2. The balance net offer of shares to the public shall be made available for allotment to
- a) Individual applicants other than retails individual investors and

- b) Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
3. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/maybe made available for allocation to applicants in the other category, if so required.

Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

Flow of Events from the closure of bidding period (T DAY) Till Allotment:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with LM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

Process for generating list of allottees: -

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

TERMS OF PAYMENT

The entire Issue price of Rs. [●]/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs or Sponsor Bank to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

PAYMENT MECHANISM FOR APPLICANTS

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, may use UPI.

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.

Only Applications that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. In the Phase 1, the Designated Intermediaries are given till 1:00 pm on the day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange send the application information to the Registrar to the Issue for further processing.

PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or banks for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined herein below) 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.
- All Applicants should submit their application through ASBA process only.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.
- 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.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- (i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
- (ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- (iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client's norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

GROUNDS FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●];
- Category not ticked;
- Multiple Applications as defined in this Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or -qualified institutional buyers as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) 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 a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

SIGNING OF UNDERWRITING AGREEMENT

Vide an Underwriting agreement dated [●] this issue is 100% Underwritten.

FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the Registrar of Companies, Ahmedabad and in terms of Section 26 of Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, the Company shall, after filing the Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, shall be in the format prescribed in Part A of Schedule VI of the SEBI Regulations.

ISSUANCE OF ALLOTMENT ADVICE

On the Designated date, the SCSBs shall transfer the funds represented by allocation of equity shares into public issue account with the banker to the issue. Upon approval of the basis of the allotment by the Designated Stock Exchange, the Registrar to the Issue shall upload the same on its website. 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 respective depository participants to accept the equity shares that may be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions the Registrar to the Issue will dispatch allotment advice to the applicants who have been allotted equity shares in the issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 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 SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

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 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.

DISPOSAL OF APPLICATION AND APPLICATION MONIES AND INTEREST IN CASE OF DELAY

The company shall ensure the dispatch of allotment advice, instruction to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the allotment to the stock exchange within one (1) working day of the date of allotment of equity shares.

The company shall use best efforts 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 three (3) working days of the closure of the issue.

MODE OF REFUNDS

a) In case of ASBA Applicants: Within 2 (two) 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 applicant on account of conversion of foreign currency.

c) In case of Other Investors: Within two (2) 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 Applicants' 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 applicant as obtained from the Depository

(ii) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' 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 Applicants' 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 applicant, 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, Investors' 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. Investors may refer to Draft 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

The Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre- Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the ROC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. That all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within three (3) Working Days of Issue Closing Date or such time as prescribed;
5. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
6. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within two (2) Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
7. That no further Issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.
8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
9. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law for the delayed period;
10. That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time;

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue, in whole or any part thereof at any time after the Issue Opening Date but before the Allotment, with assigning reason thereof. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared within Two working days of Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for such decision and. The LM, 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. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and
2. The final RoC approval of the Prospectus after it is filed with the concerned RoC.

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall file a fresh Prospectus with stock exchange.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) We have entered into tripartite agreement dated April 19, 2024 between NSDL, the Company and the Registrar to the Issue;
- (b) We have entered into tripartite agreement dated March 27, 2024 between CDSL, the Company and the Registrar to the Issue;

The Company's Equity shares bear an **ISIN INE0UOY01019**.

- An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.
- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

COMMUNICATIONS

All future communications in connection with the 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 to the Issue where the Application 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.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) 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 LM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft 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.

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the LM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft 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 http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (ASBA Account) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. 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 bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LM.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all investors have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB. Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted. After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue. The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Application



Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

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RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of 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. Foreign investment is allowed up to 100% under automatic route in our Company. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“RBI”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”).

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy Circular of 2020 (“**FDI Policy 2020**”), which with effect from October 15, 2020 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular. The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to *inter-alia*, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, *inter-alia* with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route approval from competent authority as mentioned in FDI Policy 2020 has to be obtained by the Company. The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under FEM (Non-Debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap. Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

i. Investment by FPIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

ii. Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under FEM (Non-Debt Instruments) Rules, 2019 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

iii. Investment by NRI or OCI on non-repatriation basis:

As per current FDI Policy 2020, FEM (Non Debt Instruments) Rules, 2019- Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

SECTION IX - MAIN PROVISION OF ARTICLE OF ASSOCIATION

(A COMPANY LIMITED BY SHARES)

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

We confirm that there are no material clauses of Article of Association that have been left out from disclosure having bearing on the Issue.

PRELIMINERY

Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company so far as they are applicable to Private Company except so far as they have implied or expressly modified by what is contained in the Articles mentioned as altered or amended from time to time.

Interpretation

I.

(1) In these Regulations: -

(a) "Company" means 'MEDISTEP HEALTHCARE LIMITED'

(b) "Seal" means the Common Seal of the Company.

(c) "Act" means the Companies Act, 2013, and any statutory modification thereof.

(2) Unless the context otherwise requires words or expressions contained in these regulations shall bear the same meaning as in the Act, or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

Public Company

means a company which

(a) is not a private company

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles;

Share capital and variation of rights

II.

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided —

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate

after the first.
(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
(ii) The provisions of Articles (2) and (3) shall <i>mutatis mutandis</i> apply to debentures of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5.(i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (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 <i>mutatis mutandis</i> apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.
Lien
9. (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.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made—
(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.
11. (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.
12. (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
13. (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.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. (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.
17. (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.

18. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. 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.

21. The Board may decline to recognize any instrument of transfer unless—

(a) The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

23. (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 recognized 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.

24. (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

<i>(b)</i> to make such transfer of the share as the deceased or insolvent member could have made.
<i>(ii)</i> The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
25. <i>(i)</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.
<i>(ii)</i> If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
<i>(iii)</i> All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:
Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
Forfeiture of shares
27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
28. The notice aforesaid shall --
<i>(a)</i> name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
<i>(b)</i> 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.
29. 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.
30. <i>(i)</i> A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
<i>(ii)</i> At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
31. <i>(i)</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. <i>(ii)</i> At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
<i>(ii)</i> 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.
(i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
(iii) The transferee shall thereupon be registered as the holder of the share; and
(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
(iii) The transferee shall thereupon be registered as the holder of the share; and
(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share. (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;
33. 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
34. 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.
35. Subject to the provisions of section 61, the company may, by ordinary resolution—
(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
36. 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.
37. 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
38. (i) The company in general meeting may, upon the recommendation of the Board, resolve—
(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
(b) generally, do all acts and things required to give effect thereto.
(ii) The Board shall have power—
(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be

capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

40. 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

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (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

43. (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.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. 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.

46. 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

47. (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

48. 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.

<p>49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.</p>
<p>50. (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.</p>
<p>(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>
<p>51. 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.</p>
<p>52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.</p>
<p>53. 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.</p>
<p>54. (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.</p>
<p>(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.</p>
<p>Proxy</p>
<p>55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized 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.</p>
<p>56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.</p>
<p>57. 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:</p>
<p>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.</p>
<p>Board of Directors</p>
<p>58. The Company shall have minimum 3 directors and maximum 15 directors and following shall be the Directors of the Company. The First directors of the company as follows:</p>
<p>1. Girdhari Lal Prajapat</p>
<p>2. Prajapati Hetalben Girdharilal</p>
<p>3. Dabhi Vipul Gobarbhai</p>
<p>None of the directors shall be required to hold any qualification shares.</p>
<p>59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.</p>

<p>(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—</p>
<p>(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or</p>
<p>(b) in connection with the business of the company.</p>
<p>60. The Board may pay all expenses incurred in getting up and registering the company.</p>
<p>61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.</p>
<p>62. All cheques, promissory notes, drafts, <i>hundis</i>, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.</p>
<p>63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.</p>
<p>64. (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.</p>
<p>(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.</p>
<p style="text-align: center;">Proceedings of the Board</p>
<p>65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p>
<p>(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>
<p>66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.</p>
<p>(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote</p>
<p>67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.</p>
<p>68. (i) The Board may elect a chairperson of its meetings and determine the period for which he is to hold office.</p>
<p>(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.</p>
<p>69. (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.</p>
<p>(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that</p>

may be imposed on it by the Board.
70. (i) A committee may elect a chairperson of its meetings.
<i>(ii)</i> 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.
71. (i) A committee may meet and adjourn as it thinks fit.
<i>(ii)</i> 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.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
74. 1. In case of a One Person Company, 2. Where the Company is having only one director, all the businesses to be transacted at the meeting of the board shall be entered into minutes book maintained under section 118, 3. such minutes book shall be signed and dated by the director, 4. the resolution shall become effective from the date of signing such minutes by the director.
Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer
75. Subject to the provisions of the Act—
<i>(i)</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;
<i>(ii)</i> A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
76. 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.
The Seal
77. (i) The Board shall provide for the safe custody of the seal.
<i>(ii)</i> 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
78. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

<p>79. 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.</p>
<p>80. (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.</p>
<p>(ii) The Board may also carry forward any profits which it may consider necessary not, to divide, without setting them aside as a reserve.</p>
<p>81. (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.</p>
<p>(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.</p>
<p>(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.</p>
<p>82. 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.</p>
<p>83. (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.</p>
<p>(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>
<p>84. 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.</p>
<p>85. 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.</p>
<p>86. No dividend shall bear interest against the company.</p>
<p>Accounts</p>
<p>87. (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.</p>
<p>(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.</p>
<p>Winding up</p>
<p>88. Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p>

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the

company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

89. 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.

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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 Draft 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 to be delivered to the ROC for filing and the documents for inspection referred to hereunder, may be inspected at the Registered office: 05, S. No-245/B, Plot-19, T.P.S. 56, Free Way Trade Centre, Nr, A-One Hotel, N.H.-8, Narol Gam, Narol, Ahmedabad, Gujarat, India, 382405 from the date of filing this Draft prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

1. Issue Agreement dated December 02, 2024 between our company and the Lead Manager.
2. Agreement dated [•] between our company and the Registrar to the Issue.
3. Escrow Agreement [•] among our Company, the Lead Manager, The Banker to the Issue/Public Issue Bank/Sponsor Bank, and the Registrar to the Issue.
4. Underwriting Agreement dated [•] between our company and the Underwriters.
5. Market making Agreement dated [•] between our company, the Lead Manager and the Market Maker.
6. Agreement among NSDL, our company and the registrar to the issue dated April 19, 2024.
7. Agreement among CDSL, our company and the registrar to the issue dated March 27, 2024.

MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated June 20, 2024 in relation to the Issue and other related matters.
3. Shareholders' resolution dated June 20, 2024 in relation to the Issue and other related matters.
4. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Lead Manager, Registrar to the Issue, Peer review Auditor, Legal Advisor and Market Maker to act in their respective capacities.
5. Peer Review Auditors Report dated November 27th, 2024 on Restated Financial Statements of our Company for the years ended June 30, 2024, March 31, 2024, 2023 and 2022.
6. Peer Review Auditors Certificate for the Key performance Indicators dated December 02, 2024.
7. The Report dated November 27th, 2024 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft prospectus.
8. The Report dated November 25, 2024 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
9. Copy of approval from NSE Emerge vide letter dated [•] to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
10. Due diligence certificate dated December 30, 2024 submitted to NSE Emerge from Lead Manager to the Issue.

Any of the contracts or documents mentioned in this Draft prospectus may be amended or modified at anytime if so required in the interest of our Company or if required by other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

SECTION XI - 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 Exchange Board of India Act, 1992, as the case may be, have been complied with. No statement made in the Draft prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case may be. We further certify that all the statements made in this Draft prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

NAME OF DIRECTOR	SIGNATURE
Mr. GIRDHARI LAL PRAJAPAT DIN: 09513249 Designation: Managing Director	Sd/-
Mrs. PRAJAPATI HETALBEN GIRDHARILAL DIN: 10190667 Designation: Non-Executive Director	Sd/-
Mr. DABHI VIPUL GOBARBHAI DIN: 09513250 Designation: Executive Director	Sd/-
Mr. KHODA ANANDBHAI JITENDRABHAI DIN: 10425093 Designation: Independent Director	Sd/-
Mr. DODIYA KAPILBHAI RAYSINHBHAI DIN: 10425157 Designation: Independent Director	Sd/-

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

Sd/-

JAGRITI SHARMA**SIGNED BY THE CHIEF FINANCIAL OFFICER (CFO)**

Sd/-

JAGDISH PRAJAPATI**Date: December 30, 2024****Place: Ahmedabad**