





ZENITH DRUGS LIMITED
(Formerly - Zenith Drugs Private Limited)

CONTACT US:

 www.zenithdrugs.com

 info@zenithdrugs.com

 +91 93291 45074

CIN: U24231MP2000PLC014465



Plant Add. - 72/5 & 72/1, 72/3, 74/1/1, 75/1/1 Muradpura (Orangpura),
Dhar Road, Near Kalarla, INDORE, PIN-453001 (MP) INDIA



Registered Office Address - K. No. 72/5, Village Muradpura, Depalpur, Indore, Madhya Pradesh - 453001

Date: 14/11/2024

To,
Listing Compliance Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051, Maharashtra, India.

NSE Symbol: ZENITHDRUG; ISIN- INEoQWN01013

Subj: Statement of Deviation/Variation for Utilization of funds raised through Initial Public Offer for the Half Year ended September 30, 2024.

Dear Sir/Ma'am,

Pursuant to Regulation 32 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Statement of Deviation or Variation, along with Certificate issued by Statutory Auditor in respect of the utilization of the proceeds of the Initial Public Offer ("IPO") of the Company as on period ended 30th September, 2024.

The aforesaid statement has been reviewed by the Audit Committee and taken on record at its meeting held on November 14, 2024.

You are requested to kindly take the note of above on records.

Thanking you,
Yours truly,

For, ZENITH DRUGS LIMITED
CIN: U24231MP2000PLC014465

SAKSHI BHAWSAR
Company Secretary and Compliance Officer

Encl: as above

Statement of Deviation/ Variation in utilization of funds raised through Public Issue for the half year ended September 30, 2024, ISIN No. INEoQWN01013

Particulars	Remarks
Name of Listed Entity	Zenith Drugs Limited
Mode of fund raised	Initial Public Issue (IPO)
Type of Instrument	Equity
Date of Raising funds	Amount raised between February 19, 2024 to February 22, 2024 and allotment done on February 23, 2024.
Amount Raised	Rs. 3,595.55/- lakhs
Report filed for quarter ended	September 30, 2024
Is there a Deviation/Variation in use of funds raised	No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Not Applicable.
If yes, details of the shareholders' approval so required?	Not Applicable
Date of approval	Not Applicable
Explanation for the Deviation/Variation	Not Applicable
Comments of the audit committee after review	Not Applicable
Comments of the auditors, if any	Not Applicable

Objects for which funds have been raised and where there has been a deviation/variation, in the following Table

Original Object	Modified Object, If Any	Original Allocation (In lakhs)	Modified Allocation, if any	Funds Utilized (In lakhs)	Balance	Amount of Deviation/ Variation For the quarter According to applicable object	Remarks if any
Purchase of Machinery & Equipment for Setting up New Unit	NA	1060.99	NA	1060.99	0.00	NA	No deviation from object
Existing Manufacturing Block Up gradation	NA	210.59	NA	210.59	0.00	NA	No deviation from object

Working Capital Requirements	NA	1440.00	NA	1440.00	0.00	NA	No deviation from object
General corporate purposes (GCP)	NA	883.91	NA	883.91	0.00	NA	No deviation from object. The amount has been fully utilized for Working Capital Requirements, in accordance with the Board Resolution passed on May 29, 2024.

Note: Deviation or variation could mean:

- a) Deviation in the object or purpose for which the funds have been raised or
- b) Deviation in the amount of funds actually utilized as against which was originally disclosed or
- c) Change in terms of a contract referred to in the fund-raising documents i.e. Prospectus, letter of offer etc.

For Zenith Drugs Limited

Sandeep Bhardwaj
Managing Director
(DIN: 00539347)



To,
The Board of Directors,
Zenith drugs limited
72/5 Village Muradpura,
Near Kalaria, Dhar Road,
Indore

Independent Auditor's Certificate on the Utilization of proceeds from Initial Public Offer ("IPO") of equity shares of face value of ₹ 10 each ("the Securities") by Zenith drugs Limited (the 'Company').

We have been requested by Zenith drugs Limited ("the Company") having its registered office at the above mentioned certify the statement of utilization of the IPO proceeds of the securities for period ending September 30, 2024 ('the Period'). The Annexure 1 is initialed by us for identification purpose only.

Management's Responsibility

1. The preparation of the Annexure 1 is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
2. The Management is also responsible for ensuring that the Company complies with the requirements of terms and condition of issuance and utilization of the proceeds of the Securities for the declared purpose, maintaining adequate and appropriate records for the same.

Auditor's Responsibility

3. Pursuant to the requirements of the National Stock Exchange, our responsibility is to express limited assurance that nothing has come to our attention that causes us to believe that the details that form part of Annexure 1, have not been accurately extracted from the unaudited books of accounts for the period ended September 30, 2024 of the Company, and other relevant records and documents maintained by the Company and that the Annexure 1 is not mathematically accurate.
4. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence that vary in nature, timing and extent than a reasonable assurance engagement. Consequently, level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we perform a reasonable assurance engagement.
5. Accordingly, we have performed the following procedures in relation to the particulars in the Statement prepared by the Company:
 - a) Obtained from the Company, the Offer Document and reviewed the purpose of the Securities. The Management of the Company has represented to us that there are no amendments or supplementary letters thereof other than those provided to us;
 - b) Verified the calculation of net proceeds and the outflow of the funds from the designated bank account held



with the Axis Bank, bearing account No. 924020006520374 and traced the same to the relevant ledger accounts for the Period.

- c) Obtained the bank reconciliation statements from the Company (wherever applicable);
 - d) Verified arithmetical accuracy of the amounts reported in Annexure 1;
 - e) Verified, on a test check basis, the details of the transactions of the accounts (representing payments made by the Company towards utilization of the proceeds) and traced the same to the books of account and other relevant documents and records supporting the transactions to examine whether such transactions are incurred in accordance with the purpose of the Securities; and
 - f) Performed necessary inquiries with the management and obtained necessary representations from the management of the Company.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
 7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.


Opinion

1. Based on our examination, as above, and the information, explanations and written representations given to us, nothing has come to our attention that causes us to believe that the Annexure 1 is not in agreement with the unaudited books of account and records of the Company.

Restriction on Use

2. The certificate is addressed to the Board of Directors for the purpose of submission to the National Stock Exchange and should not be used by any other person or for any other purpose. V D S & CO. shall not be liable to the Company, or to any other concerned for any claims, liabilities or expenses relating to this assignment, except to the extent of fees relating to this assignment. 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 certificate is shown or into whose hands it may come without our prior consent in writing.

PLACE: INDORE
DATED: 14.11.2024

FOR V D S & CO.
CHARTERED ACCOUNTANTS
FRN 004029C

INDORE
(D.S. BHING)
PARTNER
M.No.-075588
UDIN: 24075588BKEYXB6415



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ANNEXURE 1

UTILIZATION OF IPO PROCEEDS TILL 30 SEPTEMBER, 2024

Sr no.	Object as disclosed in the Offer Document	Amount disclosed in the Offer Document	Actual Utilized Amount	Unutilized Amount
1.	Purchase of Machinery & Equipment's for Setting up New Unit	1060.99	1060.99	Nil
2.	Existing MSt manufacturing Block Upgradation	210.59	210.59	Nil
3.	Working Capital Requirements	1440	1440.00	Nil
4.	General Corporate Purposes	883.97	883.97	Nil
Total	Total	3595.55	3595.55	Nil

1. The total amount received from IPO is Rs 4067.55 Lacs out of which IPO related expenses are 472 Lacs.
2. Board has passed the resolution regarding to use general corporate purpose fund towards working capital on dated: May 29, 2024.
3. Fund allocated to Purchase of Machinery & Equipment's for Setting up New Unit for Liquid Oral Segment of Syrup manufacturing plant – 4000 litres capacity amount proposed in prospectus is 102.6 Lakhs, Payments made by company 102.6 Lakhs for which invoices are unavailable. And Amount of Rs. 47.60 Lakhs is under bank reconciliation and same were yet not realised.
4. Fund allocated to Existing Manufacturing Block Upgradation for setting up Multilane Vegapack 300 with 5 Lane System (ORS) 129.49 Lakhs for which invoices are unavailable. And amount of Rs 109.49 Lakhs is under bank reconciliation and same were yet not realised.
5. The total amount utilized during the financial 2023-24 and till September 30, 2024 has been applied in accordance with the objects as stated in prospectus, as detailed above.
6. Based on the information and documents provided to us, the utilization of IPO proceeds is in compliance with the prescribed purposes as mentioned in the offer document.

This certificate is being issued in compliance with the regulatory requirements and under the applicable laws, and we express no opinion beyond the facts stated herein.

For Zenith Drugs Limited Limited,

Name:
Designation: Director.
Place: Indore
Date: November 14, 2024

