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VIJAYPD CEUTICAL LIMITED

Our Company was originally formed as a partnership firm under the name and style of "M/s. Vijay Pharma" pursuant to a deed of partnership dated October 05, 1971, as amended from time to time. Further, M/s. Vijay Pharma was converted into a public limited company "VijayPD Ceutical Limited" pursuant to the provisions of Chapter XXI of the Companies Act, 2013 and a fresh Certificate of Incorporation dated March 19, 2024, was issued by Assistant Registrar of Companies, Central Registration Centre. Further our Company has acquired the running business of M/s. P.D. Doshi, a Partnership firm on going concern basis vide Business Transfer Agreement dated April 01, 2024 entered by and between Samit Madhukar Shah, Rahul Jitendra Shah, Jigar Narendra Shah, Bhavin Dhirendra Shah, Dhirendra Chimanlal Shah and Nila Narendra Shah, on behalf of M/s. P.D. Doshi, Partnership firm and our company. The Corporate Identification Number of our Company is U21001MH2024PLC421713.

Registered Office: A/1, 1st Floor, Devraj Premises, CHSL, Goregaon West, Mumbai – 400062, Maharashtra, India.

Telephone: +91 9820917040; **Email:** investors@vijaypdceutical.com; **Website:** www.vijaypdceutical.com;

Contact Person: Madhuri Ganesh Batwal, Company Secretary and Compliance Officer;

THE PROMOTERS OF OUR COMPANY ARE SAMIT MADHUKAR SHAH, BHAVIN DHIRENDRA SHAH, RAHUL JITENDRA SHAH, NARENDRA NAGINDAS SHAH, DINA MADHUKAR SHAH, VASANTI DHIRENDRA SHAH AND HEMANTI JITENDRA SHAH

ADDENDUM TO THE DRAFT PROSPECTUS DATED JULY 09, 2025, NOTICE TO THE INVESTORS ("THE ADDENDUM")

INITIAL PUBLIC OFFER OF 55,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE "EQUITY SHARES") OF VIJAYPD CEUTICAL LIMITED ("OUR COMPANY" OR "VIJAYPD" OR "THE ISSUER") FOR CASH AT A PRICE OF ₹ 35/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 25/- PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ 1,925.00 LAKHS ("THE ISSUE"), OF WHICH 2,84,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ 35/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 25/- PER EQUITY SHARE AGGREGATING TO ₹ 99.40 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e., NET ISSUE OF 52,16,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ 35/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 25/- PER EQUITY SHARE AGGREGATING TO ₹ 1,825.60 LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.16% AND 26.71% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Potential investor may note the following:

1. The Chapter titled "Definitions and Abbreviations" beginning on page no. 1, of the Draft Prospectus has been updated.
2. The Chapter titled "Summary of Offer Document" beginning on page no. 21, of the Draft Prospectus has been updated.
3. The Chapter titled "Risk Factors" beginning on page no. 31, of the Draft Prospectus has been updated.
4. The Chapter titled "Summary of Financial Information" beginning on page no. 59, of the Draft Prospectus has been updated.
5. The Chapter titled "General Information" beginning on page no. 63, of the Draft Prospectus has been updated.
6. The Chapter titled "Objects of the Issue", 87 of the Draft Prospectus has been updated.
7. The Chapter titled "Our Business" beginning on page 149 of the Draft Prospectus has been updated.
8. The Chapter titled "Our Management" beginning on page 177 of the Draft Prospectus has been updated.
9. The Chapter titled "Restated Financial Information" beginning on page no. 199, of the Draft Prospectus has been updated.
10. The Chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 238 of the Draft Prospectus has been updated.
11. The Chapter titled "Outstanding Litigations and Material Developments" beginning on page 254 of the Draft Prospectus has been updated.
12. The Chapter titled "Other Regulatory and Statutory Disclosures" beginning on page 270 of the Draft Prospectus has been updated.
13. The Chapter titled "Declaration" beginning on page 350 of the Draft Prospectus has been updated.

The above is to be read in conjunction with the Draft Prospectus and accordingly their references in the Draft Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchange. All capitalised terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Prospectus.

On behalf of VijayPD Ceutical Limited

Place: Mumbai

Date: 01.09.2025

Sd/-

Mr. Samit Madhukar Shah

Chairman & Managing Director

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



Smart Horizon Capital Advisors Private Limited

(Formerly Known as Shreni Capital Advisors Private Limited)
B/908, Western Edge II, Kanakia Space, Behind Metro Mall, Off Western Express Highway, Magathane, Borivali East, Mumbai - 400066, Maharashtra, India.

Tel No: 022 - 28706822

Investor Grievance E-mail: investor@shcapl.com

Email: director@shcapl.com

Website: www.shcapl.com

Contact Person: Parth Shah

SEBI Registration No.: INM000013183

Kfin Technologies Limited

Selenium Tower-B Plot No. 31 & 32 Gachibowli, Financial District, Nanakramguda Serilingampally, Hyderabad - 500032, Telangana, India

Tel: +91 40 6716 2222

Email: vcl.ipo@kfintech.com

Website: www.kfintech.com

Investor grievance e-mail: einward.ris@kfintech.com

Contact person: M. Murali Krishna

SEBI registration no.: INR000000221

ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]*

* The UPI mandate end time and date shall be at 5:00 p.m. on Bid/ Issue Closing Day.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Company Related Terms

Term	Description
“Company Secretary and Compliance Officer”	The Company Secretary and Compliance Officer of our Company being Madhuri Ganesh Batwal, for further information, see “ <i>Our Management - Key Managerial Personnel and Senior Management</i> ” on page 177.

SUMMARY OF OFFER DOCUMENT

Summary of Restated Financial Information

The following details are derived from the Restated Financial Information for the year ended as on March 31, 2025, March 31, 2024, and March 31, 2023.

Particulars	For the period year ended March 31		
	2025	2024	2023
Equity Share capital/ Partners' Capital	1,402.87	100.00	493.15
Net worth [#]	3,216.98	100.00	493.15
Total Income ^{\$}	10,681.01	5,432.81	4,876.88
Restated profit/(loss) after tax	479.55	165.02	18.16
Earnings per share (Basic & diluted) (Post Bonus & Split) (₹) [@]	3.84	8.25	0.91
Net Asset Value per Equity Share (Post Bonus & Split) (₹) [*]	25.78	5.00	24.66
Total borrowings [^]	2,177.29	3,003.87	2,556.39

[#]Net Worth = Restated Equity Share Capital plus Restated Reserves & Surplus

^{\$}Total Revenue = Restated Revenue from operations plus Restated Other Income

[@] Earnings per share (Basic & diluted) = Restated profit after tax for the period divided by Restated weighted average number of Equity Shares outstanding during the period

^{*}Net Asset Value per Equity Share = Restated Net worth divided by Restated weighted average number of Equity Shares outstanding during the period

[^]Total Borrowings = Restated Long-Term Borrowings Plus Restated Short-Term Borrowings

SECTION II – RISK FACTORS

1. Our company is positioning itself to expand its market presence by diversifying into the manufacturing of Active Pharmaceutical Ingredients (“APIs”), which serve as raw materials for the formulation of various types of Finished Dosage Forms (“FDF”) and Excipients. However, this expansion may expose us to several risks that could adversely affect our growth, prospects, cash flows, business operations, and financial condition.

Entering the Active Pharmaceutical Ingredient API and excipient manufacturing sector represents a strategic expansion into a new business segment for our company. As a result, we face the following risks:

- **Lack of Experience in API and Excipients Manufacturing:** Our company has primarily been involved in the distribution of pharmaceutical and healthcare products. The transition to manufacturing APIs and excipients introduces operational and technical challenges that we may not have previously encountered. The lack of experience in this manufacturing domain could lead to inefficiencies, quality control issues, and operational delays that could affect our ability to meet market demand or regulatory requirements.
- **Absence of Order Book and Revenue Visibility:** Since our company is entering a new line of business, it currently does not have an existing order book for APIs or excipients. This lack of confirmed customer orders or revenue commitments introduces uncertainty regarding future cash flows and revenue generation. The absence of a visible pipeline of demand may result in underutilization of manufacturing capacity and increased pressure on financial resources during the initial phases of the new business.
- **Technological Challenges:** The manufacturing of APIs and excipients requires specialized knowledge and sophisticated technology, which may be new to our company. There is a risk that we may face difficulties in acquiring or integrating the necessary technology, equipment, and systems. Failure to implement the required manufacturing technologies at the desired level of quality and efficiency could lead to delays in production, higher costs, and reduced competitiveness.
- **Learning Curve and Training Requirements:** Entering this new segment will require extensive training for our workforce to ensure they are equipped with the necessary skills to operate and manage API and excipient manufacturing processes. Any gaps in training, or a longer-than-expected learning curve, could impact the productivity of our plant and result in increased costs during the ramp-up period.
- **Market Penetration and Customer Acquisition Risks:** As a new player in the API and excipient manufacturing market, our company faces challenges in building brand recognition, trust, and customer loyalty. Competing with established manufacturers who have a long track record in the industry could delay our market penetration and affect our sales projections. The risk of slower-than-expected adoption by customers or difficulties in securing long-term contracts may impact our financial performance.
- **Supply Chain Integration Risks:** Our current supply chain primarily supports pharmaceutical product distribution, and the addition of API and excipient manufacturing will require a significant restructuring of our supply chain processes. This integration risk involves the sourcing of raw materials, distribution of finished products, inventory management, and coordination with suppliers and customers. Any disruptions or inefficiencies in the supply chain could have a negative impact on our ability to deliver products on time, maintain consistent quality, and manage costs.
- **Regulatory Approval and Compliance Challenges:** The pharmaceutical industry is highly regulated, and the manufacturing of APIs and excipients requires compliance with numerous laws, regulations, and guidelines. These include, but are not limited to, regulations established by the Central Drugs Standard Control Organization (CDSCO), Food and Drug Administration (FDA), and World Health Organization (WHO). Non-compliance with regulatory requirements could lead to penalties, shutdowns, or delays in manufacturing, impacting the company’s operations and financial performance.
- **Increased Capital and Operational Expenditures:** Entering the manufacturing sector typically involves a significant capital outlay for plant construction, machinery, technology, and skilled labor. Additionally, the ongoing operational costs for maintaining compliance with quality standards, meeting production targets, and investing in research and development (R&D) for new APIs and excipients will place considerable strain on our financial resources. There is a

risk that the expected return on investment from this new segment may take longer to materialize than anticipated, impacting our overall financial stability.

- **Risk of Product Development Failures:** As we manufacture APIs and excipients, we may invest in the development of proprietary or new formulations. There is a risk that the development of new products may fail to meet market demand, achieve expected efficacy, or pass regulatory scrutiny. Product development failures could lead to financial losses, wasted investments, and reputational damage.
- **Dependence on a Few Key Customers or Markets:** In the early stages of entering the API and excipient manufacturing market, we may depend on a few key customers or markets for our sales. Any loss of these customers, or changes in demand from those markets, could have a disproportionate impact on our revenue and profitability. Moreover, the entry into new geographic markets may expose us to additional risks, including political, economic, or cultural challenges.
- **Financial Strain from Diversification:** Diversification into a new manufacturing segment may require a substantial allocation of capital and resources, which could divert attention and resources away from our existing business operations. There is a risk that this shift could strain our existing business, leading to lower performance in other areas or difficulties in balancing both operational and financial requirements. Moreover, the costs of running both the distribution and manufacturing arms of the business may require additional financing, which could impact our credit rating or cost of capital.
- **Competition from Established API and Excipients Manufacturers:** The market for APIs and excipients is highly competitive, with numerous established players having advanced manufacturing facilities and long-standing customer relationships. Our company will face significant competition from these players, who may have advantages in terms of economies of scale, pricing, product variety, and brand reputation. Competing effectively in this new segment will require strategic pricing, high product quality, and effective marketing, which could take time to develop.

2. We may incur losses, and our reputation may be adversely affected if customers return our products due to the distribution of expired, unsafe, defective, ineffective, or counterfeit products, as well as product spoilage, breakage, or damage during transportation or storage. Failure to comply with customer-prescribed quality standards may also result in loss of business. In addition, we may be subject to product liability claims.

Our business is highly exposed to significant risks inherent in the distribution of healthcare products, including the distribution of expired, unsafe, defective, ineffective, or counterfeit products, as well as product spoilage, breakage, and damage during transportation or storage. Failure to comply with customer-prescribed quality standards may also result in the loss of business. These risks, if realized, could result in the return of products by customers and initiate refund claims, leading to substantial financial losses and reputational damage. Although we do not manufacture pharmaceutical products, our involvement in their promotion and distribution could severely harm our reputation and undermine customers' trust in the safety of our products.

While we may have the right to seek compensation from relevant suppliers for refunds or damages associated with expired, unsafe, defective, ineffective, or counterfeit products, as well as for product spoilage, breakage, or damage during transportation or storage, there is no guarantee that we will be able to recover such amounts from these suppliers. The inability to recover costs from suppliers could negatively impact our profit margins, profitability, cash flows, and overall financial performance. Additionally, delays in returns processing, reverse logistics, limited technological adaptation at the retailer level, and challenges in submitting and having claims accepted by suppliers further exacerbate this risk.

Moreover, we could face product liability claims from customers, which may result in significant financial expenses and reputational harm. Such claims could arise from defective products, product recalls, improper labeling, inadequate warnings, or misuse of products by end users. We do not carry product liability insurance, and any claims, regardless of their validity, could lead to a loss of customer confidence, damage to our brand, and a severe strain on our financial resources and management attention.

While we have not experienced any such incidents to date, the potential for these risks to materialize could have a detrimental effect on our operations and financial health.

3. We derive a significant portion of our revenue from customers located in Maharashtra. Any adverse developments in the region could adversely affect our business, results of operations, cash flows and financial condition.

We have derived a significant portion of our revenue from operations from customers located in Maharashtra region. The following table sets forth our revenue from the customers located in Maharashtra for the years indicated, which are also expressed as a percentage of our total revenue from operations:

(₹ in Lakhs)

Particulars	For the Year ended*					
	March 31, 2025		March 31, 2024		March 31, 2023	
	Amount	%	Amount	%	Amount	%
Revenue from the customers located in Maharashtra	10,681.01	100.00%	5,432.81	100.00%	4,876.88	100.00%

*As certified by M/s. JD Shah & Associates, Chartered Accountants, by way of their certificate dated June 30, 2025.

The concentration of our revenues from Maharashtra heightens our exposure to adverse developments related to competition, as well as economic, political, regulatory circumstances including on account of any on-going economic slowdown and inflationary trends. The existing and potential competitors to our businesses in India may increase their focus in the said region, which could reduce our market share. The occurrence of our inability to effectively respond to, any such events or effectively manage the competition in the region could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

Further expansion into new geographic regions, including different states in India and overseas expansion, subjects us to various challenges, including those relating to our lack of familiarity with the culture, legal regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including, laws and regulations, uncertainties and customer's preferences, political and economic stability. By expanding into new geographical regions, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

4. Our Company is reliant on the demand from the pharmaceutical industry for a significant portion of our revenue. Any downturn in the pharmaceutical industry or an inability to increase or effectively manage our sales could have an adverse impact on our Company's business and results of operations.

Our Company is engaged in the business of distribution of pharmaceutical products and therefore, our revenues are highly dependent on our customers from the pharmaceutical industry and the loss of any of our customers from any industry which we cater to may adversely affect our sales and consequently on our business and results of operations. In the event of any new breakthrough in the development of a novel product or raw material our products may become obsolete or be substituted by such alternatives; thereby impacting our revenues and profitability adversely. It may also happen that our competitors are able to improve the efficiency of their distribution or raw materials sourcing process and thereby offer their similar or high-quality products at lower price our Company may be unable to adequately react to such developments which may affect our revenues and profitability.

5. Since our inception, we have completed one of the acquisitions of distributors in India to expand our business and increase our customer base and may continue to complete more acquisitions in the future. However, we may be unable to realize the anticipated benefits of past or future acquisitions successfully. Further, if we are unable to identify expansion opportunities or experience delays or other problems in implementing our strategy of inorganic growth, our business, financial condition, results of operations, cash flows and prospects may be adversely affected.

We have completed a one of the acquisitions of distributors in India to expand our business and increase our customer base. Since the inception of our Company in the Financial Year 2024, we have acquired the "M/s. PD Doshi" Partnership firm, in the healthcare products distribution industry. For details relating to our past acquisitions, see "History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years" on page 173 of this Draft Prospectus.

Further, in the future, we intend to supplement our organic growth with strategic acquisitions of regional and local distributors that can add to our customer and supplier base. We seek to actively explore expansion opportunities through strategic acquisitions of regional and local distributors to, among others, (i) consolidate our position in markets in which we currently operate, (ii) enter and grow in synergistic product adjacencies and (iii) enter new geographies. We are constantly in the process of evaluating such opportunities, some of which we may realize in the imminent future and which may be material to our business, financial condition or results of operations. However, our strategy of inorganic growth may not be successful, and efforts to continue and effectively manage our expansion may not be as successful as anticipated. For example, if trade associations or trade unions (whether at local, state or national levels) were to influence distributors

or pharmaceutical companies in India against inorganic consolidation in the future, we will not be able to implement our strategy of inorganic growth through strategic acquisitions of regional and local distributors, which may affect the growth of our business and results of operations. While trade associations and trade unions have currently not had such an influence towards distributors or pharmaceutical companies in India, we cannot assure you that this will not occur in the future.

Even if we are able to expand our network as planned, we may not be able to continue to integrate and optimize a larger network. There can be no assurance that such investments and acquisitions will achieve their anticipated benefits. To the extent that we fail to identify, complete and successfully integrate acquisitions with our existing business or should the acquisitions not deliver the intended results, our financial performance could be adversely affected.

- Potential difficulties that we may encounter as part of the integration process could include the following:
- potential pre-acquisition compliance lapses of the acquired companies;
- underestimated costs associated with the acquisition;
- costs relating to integration;
- the possibility that the full benefits anticipated to result from the acquisition will not be realized;
- over-valuation by us of acquired companies;
- delays in the integration of strategies, operations and services;
- diversion of the attention of our management as a result of the acquisition;
- attrition, differences in business backgrounds, corporate cultures and management philosophies that may delay successful integration;
- challenges associated with creating and enforcing uniform standards, controls, procedures and policies;
- potential ongoing financial obligations, unknown liabilities and unforeseen delays associated with the acquisition;
- possible cash flow interruptions or loss of revenue as a result of transitional matters;
- changes in regulatory environment;
- difficulties in entering markets or lines of business in which we have no or limited direct prior experience; and
- potential loss of, or harm to, relationships with employees or customers.

If we are unable to successfully overcome the potential difficulties associated with the integration process and achieve our objectives following an acquisition, the anticipated benefits and synergies of any future acquisitions may not be realized fully, or at all, or may take longer to realize than expected. Any failure to timely realize these anticipated benefits could have an adverse effect on our growth, business, financial condition, results of operations, cash flows and prospects.

We may not be able to identify suitable acquisition candidates or opportunities, negotiate attractive terms for such acquisitions, or expand, improve and augment our existing businesses. The number of attractive expansion opportunities may be limited, and attractive opportunities may command high valuations for which we may be unable to secure the necessary financing.

6. We procure a significant portion of our raw materials from suppliers based in the State of Maharashtra. Any adverse developments in the region could adversely affect our business, results of operations, cash flows and financial condition.

We procure a significant portion of our raw materials from suppliers based in the State of Maharashtra. This geographic concentration exposes us to region-specific risks, including political or regulatory changes, labor unrest, natural disasters (such as floods or earthquakes), supply chain disruptions, transportation strikes, or infrastructure limitations within the state.

The following table sets forth our raw material procurement from the vendors located in Maharashtra for the years indicated, which are also expressed as a percentage of our total purchases:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
	Amount	%	Amount	%	Amount	%
Maharashtra	9,600.75	89.89%	4,726.64	87.00%	4,420.21	90.64%

Any adverse development affecting the supply base in Maharashtra such as changes in state policies, local taxation laws, or environmental regulations could lead to delays or increased costs in the procurement of raw materials. Moreover, over-reliance on a single state limits our ability to mitigate risks through geographic diversification, making our supply chain more vulnerable to localized disruptions.

If we are unable to procure raw materials from Maharashtra in a timely or cost-effective manner, or if we are required to source materials from alternative suppliers in other regions or countries, we may face production delays, increased input costs, or challenges in maintaining product quality and regulatory compliance. Such disruptions could have a material adverse effect on our business, financial condition, and results of operations.

9. We have experienced negative cash flows from operating activities in the past and may continue to experience negative cash flows in the future, which could adversely affect our business operations and financial condition.

We have in the past, and may in the future, experience negative cash flows from operating, investing, and financing activities. Negative cash flows could impact our ability to fund working capital requirements, capital expenditures, and other corporate needs.

(₹ in Lakhs)

Particulars	For the year ended March 31		
	2025	2024	2023
Net cash generated from/ (used in) operating activities	(788.70)	292.86	30.00
Net cash generated from/ (used in) investing activities	(55.34)	1,377.98	(8.99)
Net cash generated from/ (used in) financing activities	(237.62)	(286.38)	(18.15)

For the financial year ended March 31, 2025, the Company reported a net cash outflow from operating activities of ₹ 788.70 lakhs, despite recording a profit before tax of ₹ 652.19 lakhs and an operating profit before working capital changes of ₹ 935.20 lakhs. The negative cash flow from operations was primarily due to the following factors:

- **Increase in Inventories:** To support the increased scale of operations, the Company was required to maintain higher inventory levels to meet customer demand. This led to an additional cash outlay, resulting in reduced free cash flow.
- **Increase in Trade Receivables:** The rise in revenue led to a corresponding increase in trade receivables. As is typical in the pharmaceutical trading industry, customers are extended credit periods of approximately 30–35 days. This resulted in more funds being blocked in receivables, thereby reducing operational liquidity.
- **Increase in Loans and Advances:** Loans and advances rose due to salary advances to employees (₹111.50 lakhs) and advance payments to suppliers (₹500.06 lakhs). The Company often makes advance payments to suppliers to ensure an uninterrupted supply chain, contributing to the cash outflow.
- **Increase in Income Taxes Paid:** The higher profit before tax led to an increased tax liability, and consequently, higher income tax payments (₹102.20 lakhs), further impacting cash flows.

In addition to the above, net cash outflow from investing activities stood at ₹55.34 lakhs, primarily due to the purchase of property, plant and equipment and intangible assets amounting to ₹75.31 lakhs, partially offset by realization of a long-term loan of ₹18.53 lakhs and rent income of ₹1.44 lakhs.

Net cash outflow from financing activities amounted to ₹237.62 lakhs, primarily on account of repayment of long-term borrowings of ₹114.17 lakhs and interest payments of ₹215.30 lakhs, which were partially offset by proceeds from short-term borrowings of ₹91.85 lakhs.

For the previous periods:

In FY 2024, net cash outflow from financing activities was ₹286.38 lakhs, primarily due to interest paid of ₹175.69 lakhs and proceeds from short-term borrowings of ₹446.84 lakhs, partially offset by proceeds from the issue of share capital of ₹558.17 lakhs and long-term borrowings of ₹0.64 lakhs.

In FY 2023, net cash outflow from financing activities was ₹18.15 lakhs, comprising proceeds from short-term borrowings of ₹250.32 lakhs and issue of share capital ₹52.02 lakhs, offset by repayment of long-term borrowings of ₹84.72 lakhs and interest paid of ₹235.77 lakhs.

10. We have not yet placed orders in relation to the funding Capital Expenditure towards purchase of plant and machinery which is proposed to be financed from the Issue proceeds of the IPO. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the Plant and Machinery in a timely manner, or at all, may result in time and cost over-runs and our business, prospects and results of operations may be adversely affected. Our proposed Manufacturing Facility are subject to the risk of unanticipated delays in implementation due to factors including delays in construction, obtaining regulatory approvals in timely manner and cost overruns.

We intend to use a part of the Net Proceeds for Funding Capital Expenditure towards purchasing the plant of machinery. Total estimated cost as per certificate dated June 23, 2025 issued by the *Crecia Concepts Design Private Limited*, Chartered Engineer in respect of Funding Capital Expenditure towards construction of proposed manufacturing facility with Plant and Machinery installation is ₹ 1,082.83 Lakhs. We are yet to place orders for the capital expenditure for the Proposed manufacturing facility. We have not entered into any definitive agreements to utilize the Net Proceeds for this object of the Issue and have relied on the quotations received from third parties for estimation of the cost. While we have obtained the quotations from various vendors in relation to such capital expenditure, most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. Additionally, in the event of any delay in placement of such orders, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations.

Our Proposed manufacturing plant facility may be subject to potential problems and uncertainties that construction projects face including cost overruns or delays. Problems that could adversely affect our expansion plans include labour shortages, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our manufacturing facilities, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory, environmental and other regulatory approvals, incremental pre-operating expenses, taxes and duties, interest and finance charges, working capital margin, environment and ecology costs and other external factors which may not be within the control of our management. Further, there can be no assurance that our budgeted costs may be sufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

The Proposed Manufacturing Facility will require us to obtain various approvals, which are routine in nature. For further details, see “*Objects of the Issue*” on page 87 of this Draft Prospectus. In addition to such pending approvals, we will also need to apply for certain additional approvals required for the Proposed Manufacturing Facility. There can be no assurance that we will be able to obtain these registrations and approvals including approvals in relations to power and water procurement in a timely manner or at all. Further, in the event of any unanticipated delay in receipt of such approvals, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly. For details, see “*Objects of the Issue*” on page 87 of this Draft Prospectus.

15. We conduct our business in a highly-regulated industry and environment. Our business is dependent on approvals from relevant regulatory and health authorities. Any delay or failure to obtain or renew such required regulatory approvals, registrations or any change in the regulatory environment in relation to marketing our products in regulated markets may significantly impact our business and strategy affecting our overall profitability and may impose significant compliance burdens on us.

We operate in a highly-regulated industry and are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business, and are subject to various governmental regulations and licensing requirements in India. For instance, these regulations include licenses to sell, stock, exhibit or offer for sale drugs under the Drugs and Cosmetics Act, 1940 (“**DCA**”) and the Drugs and Cosmetics Rules, 1945 (“**DCA Rules**”), trade, labour licences and shop and establishment permits that we require to operate, central licenses under the Food Safety and Standards Act, 2006, and environmental licenses. For details, see “*Key Industry Regulations and Policies*” on page 164. While we have not faced any material instances in the past, a failure to comply with such regulations could lead to enforced shutdowns and other sanctions imposed by the relevant authorities on. As a result, we may become involved or liable in litigation or other proceedings, incur increased costs or penalties, have

our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and results of operations.

Further, our warehouses may be subject to inspections, during which regulatory non-compliance may be discovered or alleged. We have not been subject to any material regulatory non-compliance in respect of our warehouses in the past. However, if we are found liable for such regulatory non-compliance in the future, we may be subject to fines, sanctions, termination of licenses or approval and reputational damage. We may continue to incur costs in complying with regulations, appealing any decision to suspend our outlets' operations, while having to continue incurring some or all of the operating costs during that period. We do not carry any insurance to cover such losses and expenses. Any of our regulatory noncompliance may therefore adversely affect our business, financial condition, and results of operation. Further, we are required by healthcare product manufacturers that we work with to adhere to certain warehousing practices and pre-determined warehousing standards. While we have not faced any such material instances in the past, if we fail to maintain the prescribed and/or requisite standards of storage at our warehouses, we could be in breach of our contractual obligations and may not be able to retain our customers, which may have an adverse impact on our business, growth prospects and our financial results.

In addition, any changes to laws, regulations and policies of the central and state governmental authorities affecting our activities, or the interpretation of such laws or regulations, including delisting of services or changes to licensing requirements relating to healthcare services, or their interpretation or application, could have a material adverse effect on our business performance, financial condition, results of operations and prospects and we could incur significant costs in the course of complying with any changes in the regulatory regime. Further, pursuant to conversion into a public limited company, the name of our Company has been changed from "M/s. Vijay Pharma (Partnership Firm)" to "Vijaypd Ceutical Limited", subsequent to which we are in the process of changing the name in some of our registrations and statutory approvals which are in our previous name. Any delay or failure to do so could have an adverse effect on our business and results of operations.

16. We are dependent on third-party transportation for the delivery of our products, and the absence of long-term agreements with such service providers, along with any disruption in their operations or decline in service quality, could adversely affect our reputation and results of operations.

We are largely dependent on third-party transportation providers to facilitate the delivery of our products from our warehouses to pharmacies, nursing homes, and clinics. We do not have long-term agreements with most of these transportation providers, and our arrangements are typically on a transactional or short-term basis. As a result, there is no assurance that these providers will continue to provide services to us on commercially reasonable terms, or at all, in the future.

Although our business has not experienced any significant disruptions due to transportation strikes in the past, any such strikes or other operational interruptions in the future could have an adverse effect on our business. At times, the transportation facilities available may not be adequate to support our existing and future operations. In addition, products being delivered through these transportation facilities may be lost or damaged in transit due to various reasons, including accidents or natural disasters. There may also be delays in delivery, which could negatively affect our business and results of operations.

Further, disruptions to transportation services due to weather-related problems, strikes, lockouts, inadequacies in road infrastructure and port facilities, or other events could impair our ability to deliver goods on time. Any such disruptions could materially and adversely affect our business, financial condition, and results of operations. While there have been no past instances during the last three financial years where such risks materially affected our results of operations, we cannot assure you that such events may not occur in the future.

17. Improper Handling, Processing, or Storage of Raw Materials or Products, or Any Contamination, Could Result in Regulatory Action, Reputational Harm, and Financial Losses

Our operations involve the handling, processing, and storage of pharmaceutical products and raw materials, many of which are sensitive to environmental conditions such as temperature, humidity, and contamination risks. Any failure to maintain proper storage conditions, adhere to prescribed handling protocols, or prevent contamination whether due to human error, equipment malfunction, inadequate facilities, or lapses by third-party service providers could compromise product quality and safety.

Such incidents may lead to product recalls, regulatory investigations, suspension or cancellation of licenses, penalties, or other enforcement actions by authorities such as the Central Drugs Standard Control Organization (CDSCO) or State Drug Regulatory Authorities. Additionally, contamination or mishandling could significantly damage our reputation and erode customer trust, potentially resulting in the loss of business relationships and reduced demand for our services.

The financial consequences of such events, including legal liabilities, operational disruptions, and the cost of remedial measures, could materially and adversely affect our business, financial condition, and results of operations.

19. Conflicts of interest may arise out of common business objects between our Company and Promoter Group Entities.

Conflicts may arise in the ordinary course of decision-making by the Promoters or the Board of Directors. Our Promoters may have interests in entities within the Promoter Group that engage in businesses similar to those of our Company. Conflicts of interest may occur when the Promoters allocate or address business opportunities and strategies between our Company and the Promoter Group entities, particularly if our respective interests diverge. In such cases, there is no assurance that the Promoters or the Promoter Group will not prioritize their own interests over those of our Company. As of the date hereof, our Company has not entered into any non-compete agreements with the Promoter Group entities. Any present or future conflicts could negatively affect our business, reputation, financial condition, and results of operations. For further details, please refer section titled “Our Promoter and Promoter Group” beginning on page 191 of this Draft Prospectus.

20. Some of our Directors and Promoters have interests ours Group Companies engaged in businesses similar to us.

Certain of our Directors and Promoters are associated with companies engaged in similar lines of business, in the capacity of being directors and/or shareholders on the board of our Group Companies, which may lead to conflicts of interest. Our Group Companies have common pursuits with our Company and each other. They are either engaged in or are authorized by their respective constitutional documents to engage in the same line of business as that of our Company and each other. Further, our Company and our Group Companies will adopt the necessary procedures and practices, as permitted by law, to address any conflict situation as and when they arise. For details, see “Our Management – Interest of Directors”, “History and Certain Corporate Matters - Common Pursuits between our Group Company and our Company” and “Our Promoters and Promoter Group – Interests of Promoters and Related Party Transactions” on pages 177, 173 and 191 respectively.

21. We are subject to credit risk with respect to trade receivables.

We are exposed to credit risk in relation to the collection of trade receivables from our customers. While we actively monitor customer defaults and incorporate such information into our credit risk management practices, there can be no assurance that all outstanding amounts will be collected on time or at all. Various factors beyond our control, including the overall economic environment and conditions in the Indian healthcare industry, may adversely impact the financial stability of our customers and increase the risk of default. Set forth below are the details of our trade receivables, provision for expected credit loss and debtor days as of March 31, 2025, 2024 and 2023:

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Trade receivables (Net of Provision) (₹ in lakhs)	2,379.75	1,110.51	873.82
Provision for expected credit loss (₹ in lakhs)	--	---	---
Debtor days (in numbers)	54	61	60

Notably, the Company has incurred bad debts only in FY 2023, the Company recorded a bad debt expense of ₹28.57 lakhs, which primarily pertained to claims raised on suppliers for expired goods that were subsequently rejected by the vendors. Due to such non-acceptance, the Company was required to write off the corresponding balances as bad debts in its books. The return of expired goods forms part of the normal course of business; however, when such claims are not acknowledged by vendors, the Company incurs a loss on these transactions. The matter has been formally documented in the relevant RF-2 of the DRHP, detailing the rejection of claims for expired goods.

29. Non-compliance with existing or changes to environmental, health and safety, labor laws and other applicable regulations by us or contract manufacturers for our private label products may adversely affect our business, financial condition, results of operations and cash flows.

We are subject to extensive laws and government regulations, including those relating to environmental protection, health, safety, and labour practices. This includes compliance with requirements governing employee relations, such as minimum wages, maximum working hours, overtime, working conditions, hiring and termination, contract labour, work permits, statutory records, and periodic payments. Although neither we nor our contract manufacturers for our private label products have encountered any material non-compliance or incidents relating to environmental, health, or safety matters as of the date of this Draft Prospectus, any failure to comply with applicable laws and regulations in the future could adversely affect our business, financial condition, results of operations, and cash flows.

30. We are exposed to the risks of malfunctions, disruptions, or gaps in our information technology and reporting systems.

We depend on information technology and accounting systems to support our business processes, including designing, planning, execution, procurement, inventory management, quality control, product costing, human resources, and finance. Although these technology initiatives are intended to increase productivity and operating efficiencies, they may not achieve the intended results. In addition, failure to address gaps in our information and reporting systems may hinder operational efficiency, impair the accuracy of business insights, and adversely affect management's ability to make timely and informed decisions. Our systems may also be vulnerable to outages or disruptions caused by fire, floods, power loss, telecommunications failures, natural disasters, computer viruses or malware, security breaches, and similar events. Effective response to such disruptions, malfunctions, or gaps will require effort and diligence on the part of our employees and third-party distribution partners to mitigate potential adverse effects on our operations.

SECTION III – INTRODUCTION

SUMMARY OF FINANCIAL INFORMATION

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars		Note	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
I.	EQUITY AND LIABILITIES				
	Shareholders' funds				
	Share capital/ Partner's capital	3	1,402.87	100.00	493.15
	Reserves and Surplus	4	1,814.11	--	--
			3,216.98	100.00	493.15
	Non-current liabilities				
	Long-Term Borrowings	5	42.52	78.78	78.14
	Long-Term Provisions	6	9.45	21.30	21.42
			51.97	100.08	99.56
	Current liabilities				
	Short-Term Borrowings	7	2,134.77	2,925.09	2,478.24
	Trade Payables				
	• total outstanding dues of micro and small enterprises	8	1.39	4.35	6.27
	• total outstanding dues of creditors other than micro and small enterprises	8	208.03	68.76	190.81
	Other current liabilities	9	21.47	20.32	15.27
	Short-Term Provisions	10	79.97	108.85	3.61
			2,445.63	2,568.24	2,694.20
	TOTAL EQUITY AND LIABILITIES		5,714.58	3,327.45	3,286.91

RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars	Note	For year ended March 31,		
		2025	2024	2023
INCOME				
Revenue From Operations	21	10,681.01	5,432.81	4,876.88
Other Income	22	77.52	1.12	182.33
Total Income		10,758.53	5,433.94	5,059.21
EXPENSES				
Purchases of Stock In Trade	24	9,600.75	4,726.64	4,420.21
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(742.36)	(16.42)	3.48
Employee Benefits Expense	26	200.34	90.83	98.06
Finance costs	27	215.30	175.69	235.77
Depreciation and Amortisation Expense	28	69.15	34.55	42.70
Other Expenses	29	763.16	144.77	223.46
Total Expenses		10,106.34	5,156.07	5,023.68

RESTATED CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars		Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
C.	CASH FLOW FROM FINANCING ACTIVITIES			
	Proceeds/ (Repayment) from issue of Share capital / partner's capital	-	(558.17)	52.02
	Proceeds from Long-Term Borrowings			
	Repayment of Long-Term Borrowings		0.64	-
	Repayment of Short-Term Borrowings	(114.17)	-	(84.72)
	Interest paid	91.85	446.84	250.32
	Dividend paid	(215.30)	(175.69)	(235.77)
	Net Cash generated from / (used in) Financing Activities	(237.62)	(286.38)	(18.15)
	Net Increase / (Decrease) In Cash and Cash Equivalents	(1,081.67)	1,384.46	2.86
	Cash and Cash Equivalents at the Beginning	1,391.77	7.31	4.45
	Cash and Cash Equivalents at the End	310.10	1,391.77	7.31

GENERAL INFORMATION

Company Secretary and Compliance Officer

Madhuri Ganesh Batwal is our Company Secretary and Compliance Officer. Her contact details are as follows:

Madhuri Ganesh Batwal

A/1, 1st Floor, Devraj Premises CHSL,
Goregaon West, Mumbai – 400062,
Maharashtra, India.

Tel No: +91 9820917040

Email: cs@vijaypdceutical.com

Investor Grievance E-mail: investors@vijaypdceutical.com

Website: www.vijaypdceutical.com

Board of Directors

As on the date of this Draft Prospectus, the Board of Directors of our Company comprises of the following:

Name and Designation	DIN	Residential Address
Rahul Jitendra Shah <i>Whole Time Director</i>	09837954	D-1. Karmashetra, 15 Floor, Flat 154, Harbanslal Marg, Near Shanmukhanand Hall, Sion, Koliwada, Mumbai- 400037, Maharashtra, India

SECTION IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

- Funding of capital expenditure requirements of our company towards the construction of Pharmaceutical API/ Intermediates and Chemicals manufacturing plant and purchase of new machineries in MIDC – Shirrampur, Ahmednagar, Maharashtra.**

Schedule of implementation of the Proposed Expansion:

Based on management estimates, the activities with respect to the implementation of Proposed Expansion are scheduled to be completed on or before March 31, 2027. *

Sr. No.	Proposed Work	Proposed Work Start Period	Proposed Work Completion Period
A	Administration Office/Lab		
01	Civil Work	September - 2025	January -2026
02	Electrical Work, Machinery/ Equipment/ Instruments Installation	November - 2025	September - 2026
B	Production Plant Ground Floor		
01	Civil/ Structure Work	October - 2025	March - 2026
02	Electrical Work, Machinery/ Equipment/ Instruments Installation	February - 2026	May - 2026
C	Production Plant First Floor		
01	Civil/ Structure Work	April - 2026	July - 2026
02	Electrical Work, Machinery/ Equipment Installation	May - 2026	September - 2026
D	Production Plant Second Floor		
01	Civil/ Structure Work	Aug-2026	November - 2026
02	Electrical Work, Machinery/ Equipment Installation	October - 2026	January - 2027
E	ETP Plant/ Utility/ Fire Safety Work	June - 2026	February - 2027
F	Post Completions and Approvals		
01	BCC Completion, Machinery and Equipment Trial and Qualification	November - 2026	March - 2027
02	Post Approvals for Production Plant, Consent to Operate	December - 2026	March - 2027
	Total Period Required to Establish the Project Work	September - 2025	March - 2027

*The above information is certified by Crecia Concepts Design Private Limited - Chartered Engineer, vide their certificate dated June 26, 2025.

- Full or part repayment and/or prepayment of certain outstanding secured borrowings availed by our Company.**

(₹ in Lakhs)

Sr. No.	Name of lender	Nature of Borrowings	Date of Sanction of Loan**	Date of Disbursement of Loan*	Rate of Interest %	Tenure	Amount Sanctioned	Outstanding as of June 30, 2025	Repayment from the net proceeds of the issue	Purpose
1.	HDFC Bank Ltd.	Term Loan - I	August 14, 2024	August 28, 2024	9.15%	Repayable in 24 EMI	65.00	39.33	39.33	Working Capital Term Loan
2.		Term Loan - II	August 14, 2024	August 28, 2024	9.15%	Repayable in 24 EMI	7.14	4.55	4.55	
3.		Term Loan – III	August 14, 2024	August 28, 2024	9.15%	Repayable in 24 EMI	62.82	40.86	40.86	

Sr. No.	Name of lender	Nature of Borrowings	Date of Sanction of Loan**	Date of Disbursement of Loan*	Rate of Interest %	Tenure	Amount Sanctioned	Outstanding as of June 30, 2025	Repayment from the net proceeds of the issue	Purpose
4.		Term Loan - IV	August 14, 2024	August 28, 2024	9.15%	Repayable in 24 EMI	28.49	18.33	18.33	
5.		Cash Credit	August 14, 2024	August 29, 2024	9.50%	----	2,040.00	2,015.04	406.93	Working Capital
Total									510.00	

**In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, the Statutory Auditor of our M/s. J D Shah Associates, Chartered Accountant, Chartered Accountants, pursuant to their certificate dated June 30, 2025 have certified the utilization of the above-mentioned borrowings for the purposes for which such borrowings were availed.*

Loans were originally sanctioned and disbursed in favor of both M/s. Vijay Pharma and M/s. P.D. Doshi. Upon conversion into a company, all such loans sanctioned on June 8, 2020, June 11, 2020 (two separate sanctions), and February 17, 2020 were transferred to VijayPD Ceutical Limited, pursuant to the Sanction Letter dated August 14, 2024.

SECTION V – ABOUT THE COMPANY

OUR BUSINESS

Overview

The experienced leadership team has been a driving force behind our comprehensive business growth. Each member of our senior management brings significant expertise to our operations. Our Promoters Narendra Nagindas Shah, with 53 years of individual experience Mr. Samit Madhukar Shah, with 24 years, Bhavin Dhirendra Shah, with 18 years and Rahul Jitendra Shah, with 23 years, collectively possess over six decades of experience in the pharmaceutical distribution industry. Their combined vision and strategic direction play a pivotal role in shaping the company's trajectory. They enable us to anticipate market trends, manage and develop key aspects of our business operations, and strengthen customer relationships. Furthermore, their leadership ensures effective oversight of both the management and financial functions of the organization.

Our Strengths

a) Strengthen our market position by increasing the long-term relationship with the clients

One of the pharmaceutical distributors, based in the Western Mumbai Suburban, benefits from its strategic location. The company enjoys easy access to a vast network of pharmaceutical manufacturers, wholesalers, pharmacies, clinics, and nursing homes. This geographical advantage allows for quick distribution across the city and surrounding areas, ensuring efficient delivery and enhancing the company's ability to meet market demands.

We plan to grow our business primarily by increasing our customer base and enhancing client relationships, as we believe that enhanced client relationships add value addition to our business. To healthcare product manufacturers, we provide access to a large network of pharmacies, nursing homes and clinics across the district area through a single distribution platform. Our integrated systems and technologies provide valuable data intelligence and analytics, while our comprehensive end-to-end healthcare product distribution solutions are complemented by marketing and promotional capabilities. For pharmacies, nursing homes, and clinics, we offer a comprehensive procurement solution, with a diverse range of healthcare products, including pharmaceutical products, wellness consumables, over-the-counter medicines and other healthcare products. We also enhance the retail experience through technology-based solutions, such as direct B2B applications and web platforms.

The following table sets forth below the revenue from repeat customer for past three fiscal year:

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
	Amount	%	Amount	%	Amount	%
Total Revenue from Operation	10,681.01	100.00	5,432.81	100.00	4,876.88	100.00
Revenue from Repeated Customers	8,553.84	80.08	4,999.69	92.03	3,906.02	80.09
Revenue from New Customers	2,127.17	19.92	433.12	7.97	970.86	19.91

b) Comprehensive product portfolio.

Detailed geographic bifurcation of raw material procurement for the past three fiscal:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Maharashtra	10,595.48	99.68	5,193.27	99.59	4,633.99	99.60
Delhi	25.14	0.24	21.37	0.41	18.74	0.40
Gujarat	5.23	0.05	0.11	0.00	--	0.00
Madhya Pradesh	2.00	0.02	--	0.00	--	0.00
Haryana	1.68	0.02	--	0.00	--	0.00
Total Purchase	10,629.53	100.00	5,214.75	100.00	4,652.73	100.00

Our Strategies

b) Improve cost management and operational efficiencies along with focus on rationalizing our indebtedness

The Company has undertaken multiple strategic initiatives aimed at maintaining a low-debt structure, reducing financial leverage, and enhancing overall creditworthiness. The key steps undertaken in this regard are as follows:

- 1. Conversion of Partner Loans into Equity:** During the financial year 2024–2025, the Company successfully converted outstanding partner loans aggregating to ₹ 2,041.78 lakhs into equity shares. This initiative was undertaken to strengthen the Company's balance sheet and reduce dependence on debt financing.
- 2. Acquisition of P.D. Doshi:** In financial year 2024–2025, the Company acquired M/s. P.D. Doshi through the issuance of equity shares as consideration. This strategic move aligns with the Company's commitment to maintain low indebtedness while pursuing growth and expansion opportunities.
- 3. Loan Repayment and Debt-Free Status:** The Company is also in the process of repaying existing loans using internal accruals and proceeds from business operations. As a result, the Company currently does not have any outstanding external debt on its books.

It is correct that the Company intends to focus on high-value, low-volume products as a strategic approach to drive sustainable growth and strengthen its market positioning. This strategy is designed to offer several distinct advantages:

- **Higher Profit Margins:** High-value products enable the Company to adopt premium pricing strategies, resulting in significantly higher profit margins per unit sold, unlike the low-margin, high-volume business models that rely on scale.
- **Enhanced Brand Positioning and Control:** By limiting distribution to selected or exclusive channels, the Company can maintain brand exclusivity, reinforce its premium image, and exercise greater control over how the brand and products are positioned in the market.
- **Superior Customer Experience:** Selective distribution ensures that high-value products are handled, packaged, and delivered with enhanced care, improving the overall customer experience and fostering greater trust and brand loyalty.
- **Reduced Competitive Pressure:** By targeting niche segments with unique and differentiated offerings, the Company reduces its exposure to price-based competition and mass-market dynamics.
- **Operational Efficiency:** Though volumes are lower, the logistics and supply chain operations are more focused and quality-oriented. This reduces waste, damage, and handling errors, which is especially critical for premium products.
- **Deeper Customer Relationships:** Controlled distribution channels allow the Company to directly engage with its customers, gaining valuable insights that can be used to improve offerings and deliver a more personalized experience.

Our Top 10 Customers and Our 10 Supplier:

Top 10 Customers:

(₹ in Lakhs)

Sr No	Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
		Amount	% of Total	Amount	% of Total	Amount	% of Total
1	Customer 1	407.50	3.82%	137.95	2.54%	106.54	2.19%
2	Customer 2	198.95	1.86%	118.42	2.18%	93.27	1.91%
3	Customer 3	178.94	1.68%	112.19	2.07%	85.77	1.76%
4	Customer 4	173.52	1.62%	106.57	1.96%	84.77	1.74%
5	Customer 5	168.40	1.58%	87.89	1.62%	75.69	1.55%
6	Customer 6	153.35	1.44%	86.63	1.59%	73.91	1.52%
7	Customer 7	143.03	1.34%	73.51	1.35%	68.24	1.40%
8	Customer 8	143.82	1.35%	71.96	1.32%	65.15	1.34%
9	Customer 9	136.22	1.28%	68.62	1.26%	61.76	1.27%

Sr No	Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
		Amount	% of Total	Amount	% of Total	Amount	% of Total
10	Customer 10	123.68	1.16%	65.32	1.20%	60.27	1.24%
	Total	1827.41	17.13%	929.06	17.09%	775.37	15.92%

Top 10 Suppliers:

(₹ in Lakhs)

Sr No	Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
		Amount	% of Total	Amount	% of Total	Amount	% of Total
1	Supplier 1	1,134.64	10.67%	574.94	11.03%	532.42	11.44%
2	Supplier 2	644.90	6.07%	498.62	9.56%	416.91	8.96%
3	Supplier 3	622.24	5.85%	364.62	6.99%	336.30	7.23%
4	Supplier 4	557.17	5.24%	361.48	6.93%	312.98	6.73%
5	Supplier 5	423.89	3.99%	348.76	6.69%	310.33	6.67%
6	Supplier 6	416.03	3.91%	341.76	6.55%	296.57	6.37%
7	Supplier 7	348.47	3.28%	282.85	5.42%	224.65	4.83%
8	Supplier 8	328.22	3.09%	255.94	4.91%	218.62	4.70%
9	Supplier 9	312.27	2.94%	200.72	3.85%	201.18	4.32%
10	Supplier 10	286.86	2.70%	169.29	3.25%	181.81	3.91%
	Total	5,074.69	47.74%	3,398.98	65.18%	3,031.77	65.16%

Capacity and Capacity Utilization

Capacity and capacity utilization is not applicable to our Company since our business is not in the nature of a manufacturing concern.

Information Technology

Pharmarack application is the medium through which orders are placed. It is not an e-commerce platform or a website for online sales. After customers place their orders via the Pharmarack app, they are onboarded into our offline system, Samarth Software, where the orders are processed and managed. Orders which are placed through our salesmen, whether initiated through the Pharmarack app or offline, are consolidated within our system under product sales. There is no separate platform used for showcasing or invoicing sales, whether online or offline.

Further, company currently utilizes “Samarth Software” as a comprehensive enterprise resource planning (ERP) solution to manage critical business functions, including procurement, sales, inventory, vendor payments, and customer receivables. This integrated system enables seamless coordination, thereby enhancing operational efficiency and accuracy. Samarth Software plays a vital role in maintaining real-time and accurate inventory records, which is essential for efficient stock management, demand forecasting, and minimizing stockouts or overstocking situations. The software is configured to automatically update inventory levels with every transaction, ensuring up-to-date visibility into stock movements across our distribution network. In addition, the system facilitates timely and accurate order processing by streamlining sales workflows and integrating them with inventory and dispatch modules. By leveraging Samarth Software, the Company is able to maintain better control over its supply chain, improve customer service levels, and support data-driven decision-making across its operations.

Customer Complaint Redressal Mechanism

The customer feedback and complaints redressal mechanism of Company generally involves a structured, multi-level system designed to address customer grievances efficiently and fairly. The key elements found across various corporate grievance redressal mechanisms include:

- **Complaint Registration:** Customers can lodge their complaints via multiple channels such as in-person at our Goregaon Corporate office, email their complaints to info@vijaypdceutical.com & sales@vijaypdceutical.com. We also maintain a dedicated Customer Services Cell or Customer Relationship Manager is responsible for receiving and tracking complaints.

- **Acknowledgement & Timelines:** Once complaints are received and they are acknowledged. There may be stipulated turnaround times e.g., 7 to 30 days within which the company commits to resolving or responding to the complaints.
- **Escalation Mechanism:** If initial resolution fails, complaints are escalated to higher authorities within the company such as senior management.
- **Customer Feedback:** After resolution, customers are be contacted by phones to obtain feedback on their satisfaction with the redressal.
- **Objective:** The mechanism aims at minimizing customer dissatisfaction, ensuring fair treatment, courtesies, and continuous improvement in products and services based on customer feedback.

Overall, the redressal mechanism combines ease of lodging complaints, timely resolution, clear escalation paths, customer communication, and continuous monitoring to maintain efficient customer service and fair resolution of grievances.

Customers, Sales and Marketing

Our Company has implemented a robust and well-structured marketing strategy, underpinned by a 16-member dedicated team comprising 12 sales representatives and 4 marketing professionals. This team plays a pivotal role in executing a multi-dimensional approach to market engagement, customer acquisition, and revenue growth. Each of our 16 sales representatives is strategically assigned to specific territories, ensuring focused and personalized engagement with both existing clients and prospective customers. Regular in-person visits are a core component of our relationship-building efforts. These direct interactions allow our representatives to:

- Drive order growth from existing customers by understanding and addressing their evolving requirements.
- Generate new business by onboarding new clients through proactive outreach and consultations.
- Collect valuable market and customer feedback, which directly informs the continuous enhancement and expansion of our product offerings.

This territory-based model enables the team to develop deep-rooted connections within their assigned markets, leading to higher customer retention and satisfaction. Our marketing professionals support these sales efforts by devising targeted campaigns, facilitating brand awareness initiatives, and ensuring alignment between our market positioning and customer needs. The team works collaboratively to analyze market trends, develop promotional materials, and organize outreach programs that further reinforce our presence across diverse geographies.

In addition to day-to-day sales activities, our representatives are also tasked with identifying new business opportunities, including potential acquisitions, partnerships, and untapped market segments. This proactive stance on business development supports our broader growth strategy and ensures long-term sustainability. By combining personalized territory-based sales engagement with strategic marketing initiatives, our integrated approach enables us to strengthen our foothold in existing markets while simultaneously expanding into new areas. This comprehensive strategy is key to building long-term relationships, enhancing customer loyalty, and sustaining our competitive edge.

Human Resource

Our work force is a critical factor in maintaining quality, productivity and safety, which strengthens our competitive position. We are committed to provide safe and healthy working conditions. Our employees are not unionised into any labour or workers' unions and have not experienced any major work stoppages due to employee disputes or cessation of work during the last three Fiscals.

Particulars	As at, and for the year ended, March 31, 2025	As at, and for the year ended, March 31, 2024	As at, and for the Year ended, March 31, 2023
Number of employees	51	26	27
Number of employees exited	3	1	--
Attrition Rate (%)*	7.23%	3.74%	--

**Attrition rate is calculated as the percentage of the number of permanent employee departures in a particular Financial Year/period to the average number of permanent employees in a particular Financial Year/period. The average number of permanent employees in a particular Financial Year/period is calculated by the sum of the number of permanent employees at the beginning of a particular Financial Year/period and at the end of a particular Financial Year/period, and then divided by two.*

OUR MANAGEMENT

Changes to our Board in the last three years

Name of the Director	Date of Appointment/ Change/ Cessation	Reason for Change
Rahul Jitendra Shah	April 25, 2024	Cessation as Non-Executive Director*

**Rahul Jitendra Shah was previously a partner in the firm M/s. Vijay Pharma, which has since been converted into a limited company. Following this transition, he was appointed as a Director in the newly formed entity. However, Rahul Jitendra Shah, subsequently resigned from his position due to the limited scope of responsibilities and lack of direct involvement in key business development and decision-making processes. Following the resignation of Viraaj Kirti Shah, the company approached Rahul Jitendra Shah to take up the position of Whole-time Director. Given Rahul Jitendra Shah extensive experience of over 23 years with the company, his appointment is expected to significantly strengthen the composition of the Board.*

Key Managerial Personnel of our Company

Madhuri Ganesh Batwal is the Company Secretary and Compliance Officer of our Company from August 16, 2025. She has passed her Bachelor of Commerce from the Mumbai University in the year 2007. She has passed the final examination conducted by The Institute of Company Secretaries of India in the year 2009. She is an Associate member of the Institute of Company Secretaries of India. She was associated with Desmo Exports Limited, Tara Chand Infralogistic Solutions Limited, and Markolines Infra Limited, in past. She has an overall experience of more than 9 years. She is responsible for the Secretarial, Legal and Compliance division of our Company along with investor and other stakeholders' relationships. She was not paid any remuneration in Fiscal 2024-25.

Changes in Key Managerial Personnel and Senior Management Personnel

Other than as disclosed in “-Changes in the Board in the last three years” on page 182, the changes in the Key Managerial Personnel and Senior Management Personnel in the preceding three years are as follows:

Name	Designation	Date of Change	Reason for Change
Surti Kishor Purvi	Company Secretary	August 16, 2025	Cessation as Company Secretary due to medical reason
Madhuri Ganesh Batwal	Company Secretary	August 16, 2025	Appointed as Company Secretary

SECTION VI – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars		Note	As March 2025	at 31, 2024*	As March 2023	at 31, 2023
I.	EQUITY AND LIABILITIES					
	Shareholders' funds					
	Share capital/ Partner's capital	3	1,402.87	100.00	493.15	
	Reserves and Surplus	4	1,814.11	--	--	
			3,216.98	100.00	493.15	
	Non-current liabilities					
	Long-Term Borrowings	5	42.52	78.78	78.14	
	Long-Term Provisions	6	9.45	21.30	21.42	
			51.97	100.08	99.56	
	Current liabilities					
	Short-Term Borrowings	7	2,134.77	2,925.09	2,478.24	
	Trade Payables					
	• total outstanding dues of micro and small enterprises	8	1.39	4.35	6.27	
	• total outstanding dues of creditors other than micro and small enterprises	8	208.03	68.76	190.81	
	Other current liabilities	9	21.47	20.32	15.27	
	Short-Term Provisions	10	79.97	108.85	3.61	
			2,445.63	3,127.36	2,694.20	
	TOTAL EQUITY AND LIABILITIES		5,714.58	3,327.45	3,286.91	
II.	ASSETS					
	Non-current assets					
	Property, Plant and Equipment and Intangible Assets					
	Property, Plant and Equipment	11	463.42	242.92	272.92	
	Intangible assets	11	380.48	0.13	0.24	
	Capital work-in-progress	11	11.01	-	-	
	Non-current investments	12	25.00	15.00	16.16	
	Deferred Tax Assets (Net)	13	4.58	6.36	10.80	
	Long-term loans and advances	14	188.27	76.77	1,458.35	
	Other non-current assets	15	1.50	0.52	2.09	
			1,074.26	341.71	1,760.56	
	Current assets					
	Inventories	16	1,153.66	411.30	394.88	
	Trade Receivables	17	2,379.75	1,110.51	873.82	
	Cash and Cash Equivalents	18	310.10	1,391.77	7.31	
	Short-term loans and advances	19	775.81	71.87	250.34	
	Other current assets	20	21.00	0.29	-	
			4,640.32	2,985.74	1,526.35	
	TOTAL ASSETS		5,714.58	3,327.45	3,286.91	

* The Company was originally formed as a partnership firm under the name and style of "M/s. Vijay Pharma" pursuant to a deed of partnership dated October 05, 1971, as amended from time to time. Further, M/s. Vijay Pharma was converted into a public limited company "VijayPD Ceutical Limited" pursuant to the provisions of Chapter XXI of the Companies Act, 2013 and a fresh Certificate of Incorporation dated March 19, 2024, was issued by Assistant Registrar of Companies, Central Registration Centre. The Company has

taken over all the existing assets and liabilities of the partnership firm as on March 19, 2024 as a part of the transition and the business was taken over by the Company with effect from March 19, 2024, which is in compliance with the applicable accounting standards.

RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars	Note	For year ended March 31,		
		2025	2024*	2023
INCOME				
Revenue From Operations	21	10,681.01	5,432.81	4,876.88
Other Income	22	77.52	1.12	182.33
Total Income		10,758.53	5,433.94	5,059.21
EXPENSES				
Purchases of Stock In Trade	24	9,600.75	4,726.64	4,420.21
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(742.36)	(16.42)	3.48
Employee Benefits Expense	26	200.34	90.83	98.06
Finance costs	27	215.30	175.69	235.77
Depreciation and Amortisation Expense	28	69.15	34.55	42.70
Other Expenses	29	763.16	144.77	223.46
Total Expenses		10,106.34	5,156.07	5,023.68
Profit before tax		652.19	277.87	35.53
TAX EXPENSES				
Current Tax	30	168.87	108.42	20.18
Net Adjustments related to earlier years	30	1.99	-	-
Deferred Tax	30	1.79	4.43	(2.82)
PROFIT FOR THE YEAR		479.55	165.02	18.16
EARNINGS PER EQUITY SHARE				
Basic (Face value of Rs.10 each)	31	3.84	8.25	0.91
Diluted (Face value of Rs.10 each)	31	3.84	8.25	0.91

* The Company was originally formed as a partnership firm under the name and style of "M/s. Vijay Pharma" pursuant to a deed of partnership dated October 05, 1971, as amended from time to time. Further, M/s. Vijay Pharma was converted into a public limited company "VijayPD Ceutical Limited" pursuant to the provisions of Chapter XXI of the Companies Act, 2013 and a fresh Certificate of Incorporation dated March 19, 2024, was issued by Assistant Registrar of Companies, Central Registration Centre. The Company has taken over all the existing assets and liabilities of the partnership firm as on March 19, 2024 as a part of the transition and the business was taken over by the Company with effect from March 19, 2024, which is in compliance with the applicable accounting standards.

RESTATED CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars		Year ended March 31, 2025	Year ended March 31, 2024*	Year ended March 31, 2023
A.	CASH FLOW FROM OPERATING ACTIVITIES			
	Profit before tax	652.19	277.87	35.53
	Adjustments for:			
	Interest income	--	(0.00)	(181.21)
	Rent income	(1.44)	(0.96)	--
	Gain/Loss on sale or disposal of Property, Plant and Equipment [Net]	--	1.28	--
	Interest expense	215.30	175.69	235.77
	Depreciation and Amortization Expense	69.15	34.55	42.70
	Bad Debts written off	--	--	28.57
	Operating Profit Before Working Capital Changes	935.20	488.44	161.36
	Increase / (Decrease) in Trade Payables	77.66	(123.98)	64.34
	Increase / (Decrease) in Other Liabilities	3.69	5.05	(1.17)
	Increase / (Decrease) in Provisions	(12.63)	(2.33)	6.93
	Decrease / (Increase) in Inventories	(428.87)	(16.42)	3.48
	Decrease / (Increase) in Trade Receivables	(486.40)	(236.69)	(102.63)
	Decrease / (Increase) in Loans and Advances	(754.31)	178.48	(81.96)
	Decrease / (Increase) in Other Assets	(20.83)	1.28	(0.17)
	Cash generated from / (used in) Operations	(686.50)	293.83	50.18
	Income taxes paid	(102.20)	(0.96)	(20.18)
	Net Cash generated from / (used in) Operating Activities	(788.70)	292.86	30.00
B.	CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of Property, Plant and Equipment and Intangible Assets	(75.31)	(5.72)	(2.15)
	Purchase of Non-current investments	--	--	(0.26)
	Realisation of Non-current investments	--	1.16	--
	Long-term Loans Given			(187.79)
	Long-term Loans Realised	18.53	1,381.58	--
	Interest received	-	0.00	181.21
	Rent income	1.44	0.96	--
	Net Cash generated from / (used in) Investing Activities	(55.34)	1,377.98	(8.99)
C.	CASH FLOW FROM FINANCING ACTIVITIES			
	Proceeds/ (Repayment) from issue of Share capital / partner's capital	-	(558.17)	52.02
	Proceeds from Long-Term Borrowings			
	Repayment of Long-Term Borrowings		0.64	-
	Repayment of Short-Term Borrowings	(114.17)	-	(84.72)
	Interest paid	91.85	446.84	250.32
	Dividend paid	(215.30)	(175.69)	(235.77)
	Net Cash generated from / (used in) Financing Activities	(237.62)	(286.38)	(18.15)
	Net Increase / (Decrease) In Cash and Cash Equivalents	(1,081.67)	1,384.46	2.86
	Cash and Cash Equivalents at the Beginning	1,391.77	7.31	4.45
	Cash and Cash Equivalents at the End	310.10	1,391.77	7.31

* The Company was originally formed as a partnership firm under the name and style of "M/s. Vijay Pharma" pursuant to a deed of partnership dated October 05, 1971, as amended from time to time. Further, M/s. Vijay Pharma was converted into a public limited company "VijayPD Ceutical Limited" pursuant to the provisions of Chapter XXI of the Companies Act, 2013 and a fresh Certificate of Incorporation dated March 19, 2024, was issued by Assistant Registrar of Companies, Central Registration Centre. The Company has taken over all the existing assets and liabilities of the partnership firm as on March 19, 2024 as a part of the transition and the business was taken over by the Company with effect from March 19, 2024, which is in compliance with the applicable accounting standards.

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

Fiscal 2025 Compared with Fiscal 2024

Revenue from operation

Revenue from operations for the fiscal March 31, 2025, amounted to ₹10,681.01 lakhs, representing 99.28% of the Total Revenue. This significant contribution is primarily attributed to the synergy effects realized from the acquisition of the partnership firm, which occurred during the fiscal March 31, 2025. The synergy manifested in the following ways:

1. The acquisition resulted in an expanded customer base, with the total number of customers increasing to 2,109 as of March 31, 2025, compared to 1,295 customers in the fiscal year 2024.
2. The acquisition resulted in a significant expansion of the company's supplier network, which played a key role in broadening its product portfolio for the fiscal March 31, 2025. The number of suppliers increased by 129.73%, rising from 74 suppliers in Fiscal 2024 to 170 suppliers during the fiscal March 31, 2025. This growth in the supplier base highlights the company's ability to enhance its supply chain capabilities and diversify the range of goods available for trading.

As a result, the company was able to achieve the revenue growth of 97.77% in fiscal 2025.

Purchase of Stock in trade

Purchase of stock in trade had increased by 103.12% from ₹4,726.64 lakhs in Fiscal 2024 to ₹9,600.75 lakhs in Fiscal 2025. This increase in stock purchases is directly aligned with the growth in revenue from operations.

Profit after Tax

After accounting for taxes at the applicable rates, the Company reported a net profit of ₹479.55 lakhs in Fiscal 2025, compared to ₹165.02 lakhs in Fiscal 2024. The improvement in profit margin is primarily attributable to a reduction in the cost of goods sold (COGS) as a percentage of revenue from operations, which decreased by 3.36%, from 87.80% in Fiscal 2024 to 84.44% in Fiscal 2025.

This reduction in the cost of material consumed was due to the inorganic acquisitions of PD Doshi, which granted access to a wider product portfolio and increased order volumes. As a result, the company placed larger purchase orders, consolidating what were previously separate purchases across multiple entities into a single, unified operation post-acquisition.

This consolidation of purchasing activities enhances the company's bargaining power, allowing for more favourable negotiations with vendors. Key benefits include:

- **Free Products:** Additional stock provided as part of promotional agreements. Few instances of free products offered are as follows:
 - a. When we were ordering 90 units of a product, we received 10 units for free, which equated to approximately 11.11% of the ordered quantity as additional stock. However, as we increased our order quantity to 200 units, the vendor offered 40 free units, which represents 20% of the order quantity.
 - b. For another product, when we were ordering 57 units, there were no free units offered. However, when we increased our order quantity to 1,400 units, we received 200 units for free, which represents approximately 14.29% of the total order quantity. This highlights the substantial benefits of increasing order volumes in terms of receiving free units.
- **Discounted Rates:** Reduced prices for bulk orders. Few instances of discounts offered over the products are as follows:
 - a. For one product, when we were ordering 360 units, we did not receive any discount. However, after increasing order quantity to 8,000 units, we were granted an 8% discount on the product price.

- b. For other product, when we were ordering 110 unit, we would get 9.09% discount. However, after increasing our order quantity to 600 units we were granted an 16.67% discount on the product price.
- c. Over a product, when we were ordering 400-800 units, we would receive 5.00% discount. However, as we ordered 3200 units of the product, we were granted discounts of 7% over the product price.

Fiscal 2024 Compared with Fiscal 2023

Revenue from operation

Revenue from Operation Revenue from operations increased by 11.40%, rising from ₹4,876.88 lakhs in fiscal 2023 to ₹5,432.81 lakhs in fiscal 2024. This growth in revenue was driven by the following factors:

The company specializes in branded generic medicines, and during fiscal 2024, a reduction in their prices made them more affordable to consumers who previously purchased generic alternatives. This shift in customer preference from generic to branded generic medicines significantly boosted demand for the company's products portfolio. As a result, the customer base grew from 1,205 in fiscal 2023 to 1,295 in fiscal 2024, contributing to the increase in revenue. Also supported by an increase in customer base in FY 2022-2023.

The pharmaceutical industry experiences varied demand for medicines, often requiring a robust stock and a diverse supplier network to meet customer needs. To address this, the company expanded its supplier base from 65 to 74 in fiscal 2024, enabling it to offer a wider range of medicines, including rare and specialized products. This expansion in supplier relationships helped improve sales with a better diverse product portfolio and better serve customers' demand.

Purchase of Stock in trade

Purchase of stock in trade had increased by 6.93% from ₹ 4,420.21 lakhs in Fiscal 2023 to ₹4,726.64 lakhs in Fiscal 2024. This increase in stock purchases is directly aligned with the growth in revenue from operations.

Profit after Tax

After accounting for taxes at applicable rates, the company reported a net profit of ₹165.02 lakhs in fiscal 2024, a significant increase from ₹18.16 lakhs in fiscal 2023. The profit margin improved from 0.36% in fiscal 2023 to 2.79% in fiscal 2024, driven by enhanced performance across multiple revenue streams, including a greater focus on branded generic medicines, specialty pharmaceutical products, wellness products, and other offerings.

Further factors also contributed to the increase in profit and profit margin:

1. **Finance Cost:** In Fiscal 2023, as disclosed in Note No. 7 (Short-Term Borrowings), the company had unsecured short-term borrowings comprising interest-bearing loans from related parties and loans repayable on demand amounting to ₹1,495.28 lakhs, with interest paid on these borrowings totaling ₹160.40 lakhs. These loans were fully repaid during Fiscal 2024, and interest paid on them for the period they remained outstanding in FY 2024 amounted to ₹69.01 lakhs. Consequently, in Fiscal 2024, only borrowings from banks remained interest-bearing. This led to a reduction in the overall finance cost for the company in Fiscal 2024 compared to Fiscal 2023.
2. **Employee benefit expenses:** Employee benefit expenses remained relatively stable, amounting to ₹90.83 lakhs in fiscal 2024, compared to ₹98.06 lakhs in fiscal 2023. The decrease in expenses is primarily attributed to the higher gratuity expenses of ₹8.23 lakhs in fiscal 2023, which reduced to ₹1.36 lakhs in fiscal 2024. As a result, when measured as a percentage of revenue from operations, employee benefit expenses declined to 1.53% in fiscal 2024, down from 1.92% in fiscal 2023, thereby positively impacting profit margins.
3. **Other expenses:** It decreased to ₹144.77 lakhs in fiscal 2024, down from ₹223.46 lakhs in fiscal 2023. This reduction was primarily due to the following factors:
 - a. **Bad Debts Write-Off:** In fiscal 2023, the company wrote off ₹28.57 lakhs in bad debts, which had remained outstanding for an extended period. The claims related to expired goods that were not accepted by the vendors have been written off as bad debts.
 - b. **Reduction in Sales Returns of Expired Goods:** There was a notable reduction in sales returns of expired goods, decreasing by ₹51.31 lakhs, from ₹127.71 lakhs in fiscal 2023 to ₹76.40 lakhs in fiscal 2024.

- c. **Decrease in Selling and Distribution Expenses:** Selling and distribution expenses also saw a significant decline, from ₹26.16 lakhs in fiscal 2023 to ₹8.99 lakhs in fiscal 2024. This is primarily due to in Fiscal 2023, the company hired several four wheelers for year-round operations, which resulted in fixed costs even when vehicles were idle or not used for deliveries. The company also bore the additional costs of vehicle maintenance and repairs in the event of breakdowns. Product transportation was managed using a fleet of 4-wheeler vans (Omnis) operated by local partners, costing approximately ₹1,150 to ₹1,200 per van per day, or about 30,000 per van each month.

To improve cost efficiency, the company transitioned to using rickshaws for deliveries, which proved to be a more cost-effective solution. Rickshaws were hired based on delivery requirements, and payments were made on a per-delivery basis, with daily costs ranging from 300 to 350, totaling approximately ₹7,500 to ₹8,000 per month.

The summary is as follows:

Particulars	For the year ended March 31, (₹ in lakhs)			
	2024	%	2023	%
Revenue From Operation	5,920.93		5,109.39	
Employee Cost	90.83	1.53%	98.06	1.92%
Finance costs	175.69	2.97%	235.77	4.61%
Other Expenses	144.77	2.45%	223.46	4.37%

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS AND SUBSIDIARIES

PART 1: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

Litigation involving Tax Liability

Indirect Tax:

Sr. No	Entity and GSTIN	Name of Authority	Notice /Demand Order Id & Period	Notice /Order Description	Amount in Dispute (Rs.)	Current Status
1.	M/s. Vijay Pharma (now converted to M/s. VijayPD Ceutical Limited) 27AACFV6111 H1ZB	Superintendent Range V: Division Ix: Mumbai West, Mumbai: CBIC	ZD2710240520313Date d October 16, 2024 Period: April 2018- March 2019	Summary Show Cause Notice u/s. 74 of CGST/DGST Act, 2017 for scrutiny of returns filed in Form-GSTR-3B, GSTR-01, GSTR-2A, GSTR-9	The total demand for tax and other dues is Rs. 10,18,136/-, which includes tax of Rs. 5,09,068/- and Penalty of Rs. 5,09,068/-	“The Company has filed detailed reply in the matter on October 23, 2024 and the same pending for response from the concerned authority”
2.	M/s. Vijay Pharma (now converted to M/s. VijayPD Ceutical Limited) 27AACFV6111 H1ZB	Superintendent Range V: Division Ix: Mumbai West, Mumbai: CBIC	ZD270625118423G Dated June 26, 2025 Period: April 2018- March 2019	Summary Show Cause Notice u/s. 74 of CGST/DGST Act, 2017 for scrutiny of returns filed in Form-GSTR-3B, GSTR-01, GSTR-2A, GSTR-9	The total demand for tax is Rs. 5,08,556/-, which includes tax of Rs. 5,08,556/- and Penalty of Rs. 5,09,068/-	“The Company has filed a reply vide ARN ZD270725049348 Y dated July 11, 2025
3.	M/s. Vijay Pharma (now converted to M/s. VijayPD Ceutical Limited) 27AACFV6111 H1ZB	Superintendent Range V: Division Ix: Mumbai West, Mumbai: CBIC	ZD270725089176V Dated July 21, 2025 Period: April 2021- March 2022	ASMT-10, notice for intimating discrepancies in the return after scrutiny	Unascertained	The Company is yet to file reply in the matter

SECTION IX – OTHER REGULATORY AND STATUTORY DISCLOSURES

Disposal of Investor Grievances by our Company

Our Company has appointed Madhuri Ganesh Batwal, Company Secretary of our Company, as the Compliance Officer for the Issue. For details, “*General Information – Company Secretary and Compliance Officer*” on page 63, to deal with, on its behalf, any investor grievances received in the Issue. However, no investor complaint in relation to our Company is pending as on the date of this Draft Prospectus. Furthermore, our Company does not have any listed group companies or subsidiaries.

Eligibility for the Issue

The company has positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application.

Based on the Restated Financial Information:

(₹. in Lakhs)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Net cash flow from operations - (A)	(788.70)	292.86	30.00
Less: Purchase of Fixed Assets (net of sale proceeds of Fixed Assets)	(75.31)	(5.72)	(2.15)
Add: Net Total Borrowings (net of repayment)	(22.32)	447.48	165.60
Less: Interest expense (I-T)	(158.31)	(104.34)	(120.51)
Free Cash Flow to equity	(1,044.64)	630.28	72.94

DECLARATION

Sd/-

Madhuri Ganesh Batwal

Company Secretary and Compliance Officer