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**DRAFT RED HERRING PROSPECTUS**

Dated February 28, 2025

Please read Section 32 of the Companies Act, 2013

(This Draft Red Herring Prospectus will be updated upon filing with the RoC)

**100% Book Built Issue**



**AAKAAR MEDICAL TECHNOLOGIES LIMITED**  
Corporate Identity Number: U74900MH2013PLC244717

REGISTERED OFFICE		CONTACT PERSON		EMAIL AND TELEPHONE		WEBSITE	
801, Heritage Plaza, Telli Galli Cross Road, Andheri (East), Mumbai-400069, Maharashtra, India.		Anoopkumar Vishwanathan Pillai, Company Secretary and Compliance Officer		E-mail: <a href="mailto:companysecretary@akaarmedical.in">companysecretary@akaarmedical.in</a> Telephone: +91 84528 44024		<a href="http://www.akaarmedical.in">www.akaarmedical.in</a>	
OUR PROMOTERS: DILIP RAMESH MESWANI AND BINDI DILIP MESWANI							
DETAILS OF THE PUBLIC ISSUE							
TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE	ELIGIBILITY			
Fresh Issue	Up to 37,50,400 of face value ₹10 each aggregating up to ₹[●] lakhs	Nil	Up to 37,50,400 of face value ₹10 each aggregating up to ₹[●] lakhs	The Issue is being made pursuant to Regulation 229(2) and 253(1) of SEBI ICDR Regulation. As the Company's post issue face value capital is more than ₹10.00 crore and upto ₹25.00 crore. For further details, see " <b>Other Regulatory and Statutory Disclosures - Eligibility for the Issue</b> " on page 250. For details of share reservation among Qualified Institutional Bidders ("QIBs"), Non-Institutional Bidders ("NIBs") and Retail Institutional Bidders ("RIBs"), see the section titled " <b>Issue Structure</b> " on page 270.			
RISKS IN RELATION TO THE FIRST ISSUE							
This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each and the Issue Price is [●] times of the face value of the Equity Shares. The Floor Price, Cap Price and Issue Price determined and justified by our Company in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in " <b>Basis for Issue Price</b> " on [●] should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.							
GENERAL RISKS							
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled " <b>Risk Factors</b> " on page 27.							
ISSUER'S ABSOLUTE RESPONSIBILITY							
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.							
LISTING							
The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the EMERGE platform of National Stock Exchange of India Limited ("NSE"). Our Company has received an 'in-principle' approval letter dated [●] from NSE for using its name in this Offer Document for listing our shares on the EMERGE Platform of the NSE. For the purpose of this Issue, the Designated Stock Exchange will be NSE. A signed copy of the Red Herring Prospectus shall be delivered for filing with the RoC in accordance with Section 26(4) of the Companies Act.							
BOOK RUNNING LEAD MANAGER							
Name of Book Running Lead Manager and Logo		Contact Person		Telephone and Email			
 Indorient Financial Services Limited		Vinit Shah		Telephone: +91 9819934811 Email: <a href="mailto:compliance-ifsl@indorient.in">compliance-ifsl@indorient.in</a>			
REGISTRAR TO THE ISSUE							
Name of Registrar		Contact Person		Telephone and Email			
 Bigshare Services Private Limited		Vinayak Morbale		Telephone: +91 22 62638200 Email: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a>			
ISSUE PROGRAMME							
ANCHOR INVESTOR BID/ISSUE PERIOD	[●]*	BID/ISSUE OPENS ON:	[●]**	BID/ISSUE CLOSES ON:	[●]#		

\*Subject to finalization of Basis of Allotment

\*Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Issue Opening Date.

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs 1 (one) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

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



### AAKAAR MEDICAL TECHNOLOGIES LIMITED

Our Company was originally incorporated as 'Aakaar Medical Technologies Private Limited', a private limited company under Companies Act, 1956, pursuant to a certificate of incorporation dated June 20, 2013 issued by the Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into a public limited company pursuant to a resolution passed by our shareholders at an Extra-ordinary General meeting held on July 19, 2024 and a fresh certificate of incorporation dated November 18, 2024 was issued by the RoC, Central Processing Centre consequent upon conversion, recording the change in name of our Company from 'Aakaar Medical Technologies Private Limited' to 'Aakaar Medical Technologies Limited'. For details of change in the name and registered office of our Company, see "History and Certain Corporate Matters" on page 155.

Registered Office: 801, Heritage Plaza, Telli Galli Cross Road, Andheri (East), Mumbai-400069, Maharashtra, India.  
 Corporate Identity Number: U74900MH2013PLC244717  
 Contact Person: Anoopkumar Vishwanathan Pillai, Company Secretary and Compliance Officer; Tel: +91 84528 44024  
 E-mail: [companysecretary@akaarmedical.in](mailto:companysecretary@akaarmedical.in) Website: [www.akaarmedical.in](http://www.akaarmedical.in)

#### OUR PROMOTERS: DILIP RAMESH MESWANI AND BINDI DILIP MESWANI

INITIAL PUBLIC OFFER OF UP TO 37,50,400<sup>^</sup> EQUITY SHARES OF FACE VALUE ₹10 EACH (THE "EQUITY SHARES") OF AAKAAR MEDICAL TECHNOLOGIES LIMITED' ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING UP TO ₹ [●] LAKHS (THE "ISSUE") OF WHICH [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (CONSTITUTING UP TO [●] % OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN [●] EDITION OF [●] (AN ENGLISH NATIONAL DAILY NEWSPAPER, [●] EDITIONS OF [●], A HINDI NATIONAL DAILY NEWSPAPER AND [●] EDITIONS OF [●], A MARATHI DAILY NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED) EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional working days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. (the "Net QIB Portion"). Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders ("Non-Institutional Portion") and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders ("Retail Portion") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 274. A copy of the Prospectus will be filed with the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

#### RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares by our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Issue Price as determined by our Company in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in the "Basis for Issue Price" on page 98 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

#### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" on page 27.

#### ISSUER'S ABSOLUTE RESPONSIBILITY

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

#### LISTING

The Equity Shares issued through this Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("NSE"). Our Company has received an 'in-principle' approval letter dated [●] from NSE for using its name in this offer document for listing our shares on the EMERGE Platform of the NSE. For the purposes of the Issue, the Designated Stock Exchange shall be NSE. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents that will be available for inspection from the date of the Red Herring Prospectus until the Bid/ Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 341.

#### BOOK RUNNING LEAD MANAGER

#### REGISTRAR TO THE ISSUE



**Indorient Financial Services Limited**  
 B/805, Rustomjee Central Park,  
 Andheri Kurla Road, Chakala,  
 Mumbai – 400093,  
 Maharashtra, India  
 Telephone: +91 9819934811  
 Email: [compliance-ifsl@indorient.in](mailto:compliance-ifsl@indorient.in)  
 Website: [www.indorient.in](http://www.indorient.in)  
 Investor Grievance Id: [wecare@indorient.in](mailto:wecare@indorient.in)  
 Contact Person: Vinit Shah  
 SEBI Registration No.: INM000012661



**Bigshare Services Private Limited**  
 Office No. S6-2, 6th Floor  
 Pinnacle Business Park, Next to Ahura Center  
 Mahakali Caves Road, Andheri East  
 Mumbai-400093  
 Telephone: +91 22 62638200  
 E-mail: [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
 Investor grievance email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
 Website: [www.bigshareonline.com](http://www.bigshareonline.com)  
 Contact Person: Vinayak Morbale  
 SEBI Registration No: INR000001385

#### ISSUE PROGRAMME

ANCHOR INVESTOR BID/ISSUE PERIOD	[●]*
ISSUE OPENS ON	[●]*
ISSUE CLOSES ON	[●]**

<sup>\*</sup>Subject to finalization of Basis of Allotment

<sup>\*</sup>Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Issue Opening Date.

<sup>\*\*</sup>Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs 1 (one) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

#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

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Draft Red Herring Prospectus, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under SEBI ICDR Regulations 2018, the Companies Act 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Further, Issue related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document.*

*Notwithstanding the foregoing, the terms not defined but used in the chapters titled "**Industry Overview**", "**Key Regulations and Policies in India**", "**Statement of Special Tax Benefits**", "**Basis for the Issue Price**", "**Restated Financial Statement**", "**Outstanding Litigations and Material Developments**", and "**Main Provision of Articles of Association**" on pages 109, 155, 105, 98, 189, 240 and 311 respectively, shall have the meanings ascribed to such terms in the respective sections.*

#### General Terms

Term	Description
“Company”, “Our Company”, “the Company”, “the Issuer” or	Aakaar Medical Technologies Limited, a public limited company incorporated in India under the Companies Act, 2013 having its Registered Office at, 801, Heritage Plaza, Telli Galli Cross Road, Andheri (East), Mumbai-400069, Maharashtra India.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company as on the date of this Draft Red Herring Prospectus.
“you”, “your” or “yours”	Prospective investors in this Issue.

#### Company Related Terms

Term	Description
“AoA” / “Articles of Association / Articles”	The articles of association of our Company, as amended from time to time.
“Audit Committee”	The audit committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as described in “ <b>Our Management</b> ” on page 166.
“Auditor” / “Statutory Auditor” / “Peer Review Auditor”	The statutory auditors of our Company, being M/s C B Mehta & Associates, Chartered Accountants.
“Board” / “Board of Directors”	Unless otherwise specified the board of directors of our Company as duly constituted from time to time, including any committees thereof, as described in “ <b>Our Management</b> ”, on page 166.
“Bankers to our Company”	ICICI Bank Limited and HDFC Bank Limited.
“Managing Director” / “MD”	The Managing Director of our Company, being Dilip Ramesh Meswani.
“Corporate Identification Number” / “CIN”	U74900MH2013PLC244717
“Chief Financial Officer” / “CFO”	Chief financial officer of our Company, Sweta Chirag Shah. For details, see “ <b>Our Management</b> ” on page 166.
“Companies Act” / “Act”	The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as applicable.
“Company Secretary and Compliance Officer”	Company secretary and compliance officer of our Company, Anoopkumar Vishwanathan Pillai. For details, see “ <b>Our Management</b> ” on page 166.

Term	Description
“DIN”	Directors Identification Number.
“Director(s)”	The Director(s) on the Board of our Company as described in " <b>Our Management</b> " on page 166.
“Equity Shares”	The equity shares of our Company of face value of ₹10 each.
“Equity Shareholders”	The holders of Equity Shares of our Company from time to time.
“ESOP Plan” / “ESOPS 2021”	Aakaar Medical Technologies Employee Stock Option Plan 2021 as described in " <b>Capital Structure – Employee Stock Option Plan</b> " on page 77.
“Executive Director(s)”	Executive directors on Board of our Company.
“Group Companies”	In terms of SEBI ICDR Regulations, the term ‘group companies’ includes companies (other than our Subsidiaries) with which there were related party transactions in accordance with Ind AS 24 as disclosed in the Restated Financial Statements as covered under the applicable Indian accounting standards and such other companies as considered material by our Board in accordance with the Materiality Policy, and as identified in " <b>Our Group Companies</b> " on page 186.
“Ind AS”	The Indian Accounting Standards notified under Section 133 of the Companies Act 2013, Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act 2013.
“Independent Director(s)”	Independent directors on the Board, who are eligible to be appointed as an independent director under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, please refer to the chapter titled " <b>Our Management</b> " on page 166.
“ISIN”	International Securities Identification Number, being INE1GYP01013.
“Key Managerial Personnel” / “KMP”	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as disclosed in " <b>Our Management</b> " on page 166.
“Materiality Policy”	The policy adopted by our Board on January 06, 2025 for identification of material Group Companies, material outstanding litigation and material dues outstanding to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations.
“MoA” / “Memorandum” / “Memorandum of Association”	The memorandum of association of our Company, as amended.
“Nomination and Remuneration Committee”	The nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations as described in " <b>Our Management</b> " beginning on page 166.
“Non-Executive Director(s)”	The non-executive Director(s) of our Company.
“Promoters”	The promoters of our Company, being Dilip Ramesh Meswani and Bindi Dilip Meswani as disclosed in " <b>Our Promoters and Promoter Group</b> " on page 182.
“Promoter Group”	The entities and persons constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in " <b>Our Promoters and Promoter Group</b> " on page 182.
“Registered Office”	The registered office of our Company situated at 801, Heritage Plaza, Telli Galli Cross Road, Andheri (East), Mumbai- 400069, Maharashtra, India.
“Registrar of Companies or RoC”	The Registrar of Companies, Maharashtra at Mumbai.
“Restated Financial Statements” or “Restated Financial Information”	The Restated Financial Statements of our Company, comprising the Restated Statement of Assets and Liabilities as at and for the five-month period ended August 31, 2024 and as at March 31, 2024, March 31, 2023, March 31, 2022, the restated statements of Profit and Loss (including other comprehensive income), the restated statement of changes in Equity, the Restated Cash Flow Statement as at and for the five-month period ended August 31, 2024 and for

Term	Description
	the years ended March 31, 2024, March 31, 2023, March 31, 2022, and the Summary Statement of Significant Accounting Policies, and other explanatory information prepared in terms of the requirements of sub-Section (1) of Section 26 of Part I of Chapter III of the Act; the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, as amended from time to time.
	For details, see “ <i>Restated Financial Statements</i> ” on page 189.
“Senior Management Personnel” / “SMPs”	Senior Management Personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in “ <i>Our Management – Key Managerial Personnel and Senior Management Personnel</i> ” on page .
“Shareholders” / “Members” / “Equity Shareholders”	The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares.
“Stakeholders Relationship Committee”	The stakeholders’ relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as described in “ <i>Our Management</i> ” on page 166.
“Stock Exchange”	Unless the context requires otherwise, refers to, the Emerge Platform of NSE.
“Whole Time Director”	Director(s) in the whole-time employment of our Company.

#### Issue Related Terms

Term	Description
“Abridged Prospectus”	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf.
“Acknowledgement Slip”	The acknowledgement slips or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
“Allot” / “Allotment” / “Allotted” / “Allotment of Equity Shares”	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
“Allotment Advice”	Note or advice or intimation of Allotment sent to each successful applicant who have been or are to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
“Allottee(s)”	A successful Applicant to whom the Equity Shares are being allotted.
“Applicant” / “Investor”	Any prospective investor who makes an application for Equity Shares of our Company in terms of the Prospectus and the Application Form.
“Application Amount”	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Prospectus.
“Application Supported by Blocked Amount” / “ASBA”	An application, whether physical or electronic, used by applicants to make an application and authorize an SCSB to block the application Amount in the ASBA Account maintained with such SCSB.
“ASBA Account”	A bank account maintained with an SCSB and specified in the ASBA Form submitted by applicant for blocking the application Amount mentioned in the ASBA Form.
“ASBA Bid”	A Bid made by an ASBA Bidder.
“ASBA Form”	An application form, whether physical or electronic, used by ASBA Applicant which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus.
“Anchor Investor”	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR

Term	Description
	Regulations and this Draft Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
“Anchor Investor Allocation Price”	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Draft Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Issue Period.
“Anchor Investor Application Form”	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Draft Red Herring Prospectus and Prospectus.
“Anchor Investor Bid/ Issue Period”	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
“Anchor Investor Issue Price”	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Manager.
“Anchor Investor Portion”	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
“Banker to the Issue” / “Refund Banker” / “Public Issue Bank”	Collectively, Escrow Collection Bank, Public Issue Bank, Sponsor Bank and Refund Bank, as the case may be. In this case, being, [●].
“Bankers to the Issue Agreement”	Banker to the Issue Agreement entered on [●] amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Banker to the Issue / Sponsor Bank for collection of the Application Amount on the terms and conditions thereof.
“Basis of Allotment”	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in the chapter titled “ <i>Issue Procedure</i> ” on page 274.
“Bid Amount”	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Issue, as applicable.
“Bid Lot”	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
“Business Day”	Any day on which commercial banks are open for the business.
“Bidding Centers”	The centers at which the Designated Intermediaries shall accept the ASBA Forms to a Registered Broker, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
“Bidder” / “Investor”	Any prospective investor who makes a bid for Equity Shares in terms of the Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor.
“Bid Amount”	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.

<b>Term</b>	<b>Description</b>
“Bid cum Application Form” / “Application Form”	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
“Book Building Process”	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
“Book Running Lead Manager” / “BRLM”	The book running lead manager to the Issue namely Indorient Financial Services Limited.
“Broker Centres”	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address are available on the respective websites of the Stock Exchange at <a href="http://www.nseindia.com">www.nseindia.com</a> as updated from time to time.
“CAN” / “Confirmation of Allocation Note”	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange.
“Cap Price”	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalized and above which no Bids will be accepted.
“Indorient”	Indorient Financial Services Limited.
“Client ID”	Client Identification Number of the Beneficiary Account.
“Collecting Depository Participant” / “CDP”	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
“Collecting Registrar and Share Transfer Agent” / “CRTAs”	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
“Controlling Branches/ Controlling Branches of the SCSBs”	Such branches of SCSBs which coordinate Applications under the Issue with the BRLM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
“Demographic Details”	The demographic details of the Applicant such as their address, PAN, occupation, bank account details and UPI ID (as applicable).
“Depositories”	National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) or any other Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
“Depository Participant/ DP”	A depository participant registered with SEBI under the Depositories Act.
“Designated CDP Locations”	Such locations of the CDPs where Applicants can submit the ASBA Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-Cum-Application Forms are available on the website of the Stock Exchange.
“Designated Date”	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Draft Red Herring Prospectus, following which the Board may Allot Equity Shares to successful Bidders in the Issue.
“Designated Intermediaries”	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms

Term	Description
	from the Applicant, in relation to the Issue.
“Designated Market Maker”	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
“Designated RTA Locations”	Such locations of the RTAs where applicant can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the Stock Exchange.
“Designated Branches”	SCSB Such Branches of the SCSBs which shall collect the ASBA Forms used by the applicant, a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> .
“Designated Exchange”	Stock National Stock Exchange of India Limited.
“Draft Red Herring Prospectus”	This Draft Red Herring Prospectus issued in accordance with the SEBI ICDR Regulations.
“Electronic Transfer of Funds”	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
“Eligible NRI”	NRI from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the ASBA Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants.
“Eligible QFIs”	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations.
“Escrow Account(s)”	Account opened with the Escrow Collection Bank(s) and in whose favour the Investors will transfer money through direct credit/NEFT/RTGS/ NACH in respect of the Applicant Amount.
“FII” / “Foreign Institutional Investors”	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
“First Applicant”	Applicant whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof.
“Floor Price”	The lower end of the Price Band being [●], subject to any revision(s) thereto, not being less than the face value of Equity Shares and the Anchor Investor Issue Price, at or above which the Issue Price will be finalized and below which no Bids will be accepted.
“Foreign Portfolio Investor” / “FPIs”	Foreign Portfolio Investor as defined under SEBI FPI Regulations.
“Fraudulent Borrower”	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
“Fugitive Offender”	Economic An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
“General Information Document” / “GID”	Information The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, notified by SEBI, suitably modified and included in the chapter titled “ <i>Issue Procedure</i> ” beginning on page 274.
“Issue” / “Issue Size” /	Initial Public Issue of up to 37,50,400 <sup>^</sup> Equity Shares of face value of ₹10.00

Term	Description
“Public Issue” / “IPO”	each of our Company for cash at a price of ₹[●] per Equity Share (including a securities premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs. <i>^Subject to finalization of Basis of Allotment</i>
“Issue Agreement”	The agreement dated February 25, 2025 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
“Issue Closing Date”	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be published in [●] editions of [●], an (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and (a widely circulated Marathi daily newspaper, Marathi being the regional language of Mumbai, where our Registered Office is located where our Registered Office is situated).  In case of any revisions, the extended Bid/ Issue Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations.  Our Company in consultation with the Book Running Lead Manager may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website of the Book Running Lead Manager and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Issue Opening Date was published, as required under the SEBI ICDR Regulations.
“Issue Opening Date”	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Issue, being [●], which shall be published in [●] editions of Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Issue, being [●], which shall be published in [●] editions of [●],(a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and (a widely circulated Marathi daily newspaper, Marathi being the regional language of Mumbai, where our Registered Office is located where our Registered Office is situated).
“Issue Price”	₹[●] per Equity Share, being the final price within the Price Band, at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus.  The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus.
“Issue Proceeds”	The proceeds from the Issue based on the total number of Equity Shares allotted under the issue.
“Listing Agreement”	The Listing Agreement to be signed between our Company and NSE Emerge.
“Mandate Request”	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and

Term	Description
	subsequent debit to funds in case of allotment.
“Market Making Agreement”	The Market Making Agreement dated [●] between our Company, the Book Running Lead Manager and Market Maker.
“Market Maker”	The market maker of our Company being [●].
“Market Maker Reservation Portion”	The reserved portion of [●] Equity Shares of face value of ₹10.00 each fully paid-up for cash at a price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs for the Market Maker in this Issue.
“MSME”	Micro Small and Medium Enterprises.
“Mutual Fund(s)”	Mutual fund(s) registered with SEBI pursuant to SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
“Net Issue”	The Issue (excluding the Market Maker Reservation Portion of [●] Equity Shares of face value ₹10.00 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share aggregating up to ₹[●] Lakhs.
“Net Proceeds”	The Issue Proceeds less the Issue related expenses. For further details, please refer to the chapter titled “ <i>Objects of the Issue</i> ” on page 87.
“Non-Institutional Bidders” / “Non-Institutional Investor” / “NIB” / “NII”	All Applicants (including Eligible NRIs), who are not QIBs or Retail Individual Bidders and who have applied for Equity Shares for an amount of more than ₹ 2,00,000.
“Non-Resident”	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI.
“NRIs” / “Non-Resident Indian”	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
“NSE Emerge” / “EMERGE”	The Emerge Platform of National Stock Exchange of India Limited for Listing of Equity Shares offered under Chapter IX of SEBI (ICDR) Regulations.
“Overseas Corporate Body” / “OCB”	A Company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
“Person” / “Persons”	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership firm, limited liability partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context may require.
“Public Issue Account”	The account to be opened with the Banker to the Issue under section 40 of Companies Act, 2013 to received monies from the ASBA Accounts.
“Public Issue Bank”	The bank(s) which is a clearing member and registered with SEBI as a banker to an issue with which the Public Issue Account(s) is opened for collection of Application Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●].
“Price Band”	Price Band of a minimum price (Floor Price) of ₹[●] and the maximum price (Cap Price) of ₹[●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in which shall be published in [●] editions of [●], (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and (a widely circulated Marathi daily newspaper, Marathi being the regional language of Mumbai, where our Registered Office is located where our Registered Office is situated).
“Pricing Date”	The date on which our Company, in consultation with the BRLM, will finalise the Issue Price.
“QIBs” / “Qualified”	Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of SEBI

Term	Description
Institutional Buyers”	ICDR Regulations.
“QIB Category” / “QIB Portion”	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of [●] Equity Shares aggregating to ₹[●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).
“Qualified Foreign Investors” / “QFIs”	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet ‘know your client’ requirements prescribed by SEBI.
“Refund Account”	Account to which Application monies are to be refunded to the Bidders.
“Refund through electronic transfer of funds”	Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable.
“Refund Bank” / “Refund Banker”	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being [●].
“Registered Brokers”	Stock brokers registered with SEBI as trading members (except Syndicate/sub-Syndicate Members) who hold valid membership of [●] having right to trade in stocks listed on Stock Exchange and eligible to procure Application Forms in terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012.
“Registrar Agreement”	The agreement dated January 30, 2025 entered between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
“Registrar and Share Transfer Agents” / “RTAs”	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of Circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
“Registrar to the Issue” / “Registrar”	Registrar to the Issue being Bigshare Services Private Limited.
“Resident Indian”	A person resident in India, as defined under FEMA.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2 lakhs.
“Revision Form”	The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s).
	QIB Applicant and Non-Institutional Applicant are not allowed to lower their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Bidders and Eligible Employees can revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date.
“Retail Portion”	The portion of the Issue being not less than 35% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion and remaining Equity Shares to be allotted on a proportionate basis.
“Red Herring Prospectus” / “RHP”	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.

<b>Term</b>	<b>Description</b>
“SME”	Small and medium sized enterprises.
“SME Exchange”	SME Platform of National Stock Exchange of India Limited i.e. NSE Emerge.
“Self-Certified Syndicate Bank(s)” / “SCSBs”	A bank registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA a list of which is available on website of SEBI. <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
“Sponsor Bank”	Sponsor Bank being [●] being a Banker to the Issue, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIIs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars.
“Specified Locations”	Collection centers where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
“Stock Exchange”	Emerge Platform of National Stock Exchange of India Limited.
“TRS” / “Transaction Registration Slip”	The slip or document issued by the Designated Intermediary (only on demand), to the Applicant, as proof of registration of the Application Form.
“Underwriter”	Indoriant.
“Underwriting Agreement”	The Agreement dated February 25, 2025 among the Underwriter and our Company to be entered prior to filing of the Prospectus with RoC.
“UPI”	Unified Payment Interface, which is an instant payment mechanism, developed by NPCI.
“UPI Bidders”	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non- Institutional Bidders with an application size of up to ₹5,00,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹5,00,000 shall use UPI and shall provide their UPI ID in the application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the websites of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).

<b>Term</b>	<b>Description</b>
“UPI Circulars”	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/ dated March 16, 2021 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular with circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to theUPI Mechanism), SEBI master circular with circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.
“UPI ID”	ID Created on the UPI for single-window mobile payment system developed by NPCI.
“UPI PIN”	Password to authenticate UPI transaction.
“UPI Mandate Request”	A request (intimating the UPI Investors by way of a notification on the UPI application and by way of a SMS directing the UPI Investors to such UPI mobile application) to the UPI Investors initiated by the Sponsor Bank to authorize blocking of funds on the UPI application equivalent to application Amount and subsequent debit of funds in case of Allotment.  Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹5,00,000 shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
“UPI Mechanism”	The bidding mechanism that may be used by UPI Investors in accordance with the UPI Circulars to make an ASBA Bid in the Issue.
“U.S Securities Act”	U.S Securities Act of 1933, as amended.
“Wilful Defaulter”	An entity or a person categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations.
“Working Days”	Working Day shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in city as mentioned in this Draft Red Herring Prospectus are open for business and in case of the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Day shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

## Industry Related Terms or Abbreviations

Term	Definition
Bn	Billion
CAGR	Computed Annual Growth Rate
CDSCO	Central Drugs Standard Control Organization.
CPI	Consumer Price Index
CY	Calendar Year ending on December 31
E	Estimated
EBITDA	Earnings before Interest, Tax, Depreciation, and Amortization
F	Forecasted
FDI	Foreign Direct Investment
FY	Financial Year ending on March 31
GDP	Gross Domestic Product
GVA	Gross Value Added
IIP	Index of Industrial Production
INR	Indian Rupee
ISAPS	International Society of Aesthetic Plastic Surgery
Mn	Million
MoSPI	Ministry of Statistics and Programme Implementation
MPCE	Monthly Per Capita Consumption Expenditure
NMC	National Medical Commission
PAT	Profit After Tax
RBI	Reserve Bank of India
REPO	Repurchase Option
ROE	Return on Equity
ROS	Return on Sales
Tn	Trillion
USD	United States Dollar

## Conventional Terms / General Terms / Abbreviations

Term	Description
“AGM”	Annual General Meeting
“Alternative Investment Funds” / “AIFs”	Alternative Investment Fund(s) as defined in and registered with SEBI under the SEBI AIF Regulations
“Arbitration Act”	The Arbitration and Conciliation Act, 1996
“AS” or “Accounting Standards”	Accounting Standards as notified by Companies (Accounting Standards) Rules, 2016
“CAGR”	Compounded Annual Growth Rate
“Category I AIF”	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
“Category II AIF”	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
“Category III AIF”	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
“Category I FPIs”	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
“Category II FPIs”	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
“CCI”	Competition Commission of India
“CIT”	Commissioner of Income Tax
“CDSL”	Central Depository Services (India) Limited

<b>Term</b>	<b>Description</b>
“CIN”	Corporate Identity Number
“Civil Code”	The Code of Civil Procedure, 1908
“Companies Act, 2013” or “Companies Act”	The Companies Act, 2013 read with the rules, regulations, clarifications and modifications thereunder
“Companies Act, 1956”	The erstwhile Companies Act, 1956 read with the rules, regulations, clarifications and modifications thereunder
“Consolidated FDI Policy”	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
“COPRA”	The Consumer Protection Act, 1986
“COVID-19”	The novel coronavirus disease which was declared as a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020, by the World Health Organisation.
“CSR”	Corporate Social Responsibility
“DDP”	Delivered Duty Paid
“Demat”	Dematerialised
“Depositories”	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
“Depositories Act”	The Depositories Act, 1996
“DIN”	Director Identification Number
“DP ID”	Depository Participant’s identity number
“DPIIT”	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI
“DP or Depository Participant”	A depository participant as defined under the Depositories Act
“EBITDA”	Earnings before Interest, Tax, Depreciation and Amortisation
“EGM”	Extraordinary General Meeting
“EPS”	Earnings Per Share
“EPF Act”	The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952
“ESI Act”	The Employees’ State Insurance Act, 1948
“FCNR Account”	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
“FDI”	Foreign Direct Investment
“FEMA”	The Foreign Exchange Management Act, 1999 read with rules and the regulations thereunder
“FEMA Rules”	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, GoI
“FOB”	Free On Board
“Financial Year(s)” / “Fiscal” / “Fiscal Year” / “FY”	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
“EMI”	Equated Monthly Investment
“FPIs”	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
“FVCI”	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
“GDP”	Gross Domestic Product
“GoI”	Central Government / Government of India
“GST”	Goods and Services Tax
“HUF(s)”	Hindu Undivided Family(ies)
“ICAI”	The Institute of Chartered Accountants of India
“ICSI”	Institute of Company Secretaries of India
“IEC”	Import Export Code
“IFRS”	International Financial Reporting Standards
“Income Tax Act”	Income Tax Act, 1961

<b>Term</b>	<b>Description</b>
“Ind AS” / “Indian Accounting Standards”	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
“Ind AS Rules”	The Companies (Indian Accounting Standards) Rules, 2015
“Indian GAAP” / “IGAAP”	Accounting standards notified under Section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Rules 2006 and the Companies (Accounts) Rules, 2014 in so far as they apply to our Company, as amended
“INR” / “Indian Rupee” / “₹”	Indian Rupee, the official currency of the Republic of India
“India”	Republic of India
“IPR”	Intellectual Property Rights
“IPO”	Initial public offering
“IRDAI”	Insurance Regulatory and Development Authority of India
“IRDAI Investment Regulations”	Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016
“ISIN”	International Securities Identification Number
“IST”	Indian Standard Time
“IT”	Information Technology
“KYC”	Know Your Customer
“MCA” / “Ministry of Corporate Affairs”	Ministry of Corporate Affairs, GoI
“Mn” / “mn”	Million
“MSME”	Micro, Small and Medium Enterprises
“Mutual Funds”	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
“N.A.” / “NA”	Not applicable
“NAV”	Net asset value
“NACH”	National Automated Clearing House
“NBFC”	Non-banking financial company
“NEFT”	National Electronic Funds Transfer
“NOC”	No Objection Certificate
“NPCI”	National Payments Corporation of India
“NRE”	Non-Resident External Accounts
“NRO”	Non-Resident Ordinary Accounts
“NSDL”	National Securities Depository Limited
“MIM”	Multi Investment Manager
“P&L”	Profit and loss account
“p.a.”	Per annum
“P/E Ratio”	Price/Earnings Ratio
“PAN”	Permanent account number
“PAT”	Profit after tax
“PFRDA”	Pension Fund Regulatory and Development Authority
“PIO”	Person of India Origin
“Q&A”	Questions & answers
“RBI”	The Reserve Bank of India
“Regulation S”	Regulation S under the U.S. Securities Act
“RoNW”	Return on Net Worth
“RoW”	Rest of the World
“RTGS”	Real Time Gross Settlement
“SBO Rules”	Companies (Significant Beneficial Owners) Rules, 2018
“SCRA”	Securities Contracts (Regulation) Act, 1956
“SCRR”	Securities Contracts (Regulation) Rules, 1957
“SEBI”	Securities and Exchange Board of India constituted under the SEBI Act

<b>Term</b>	<b>Description</b>
“SEBI Act”	Securities and Exchange Board of India Act, 1992
“SEBI AIF Regulations”	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
“SEBI BTI Regulations”	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended
“SEBI Depository Regulations”	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended
“SEBI FPI Regulations”	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
“SEBI FVCI Regulations”	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
“SEBI ICDR Regulations”	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
“SEBI Insider Trading Regulations”	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
“SEBI Listing Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
“SEBI Merchant Bankers Regulations”	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
“SEBI Mutual Fund Regulations”	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
“SEBI Portfolio Manager Regulations”	Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, as amended
“SEBI Stock Broker Regulations”	Securities and Exchange Board of India (Stock Brokers and Sub-brokers) Regulations, 1992
“SEBI Takeover Regulations”	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
“SEBI VCF Regulations”	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended
“Sq. ft. / sq. ft.”	Square feet
“Stamp Act”	The Indian Stamp Act, 1899
“State Government”	The Government of a State of India
“STT”	Securities Transaction Tax
“Supreme Court”	The Supreme Court of India
“TAN”	Tax Deduction and Collection Account Number
“Takeover Regulations”	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
“TDS”	Tax deducted at source
“Trademarks Act”	Trade Marks Act, 1999, as amended
“UPI”	Unified Payments Interface
“USA” / “United States of America” / “US”	The United States of America
“U.S. Securities Act”	The United States Securities Act of 1933, as amended
“UK”	United Kingdom
“VAT”	Value Added Tax
“VCFs”	Venture Capital Funds as defined in and registered with the SEBI under the SEBI VCF Regulations
“Year” / “calendar year”	Unless context otherwise required, shall mean the twelve-month period ending December 31

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

### Certain Conventions

All references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, Central or State, as applicable. All references in the Draft Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time (“IST”).

Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

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

### Financial Data

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year; accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Reference in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year of Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

Unless the context otherwise requires or indicates, the financial information, financial ratios and any percentages amounts, as set forth in “*Risk Factor*”, “*Our Business*”, “*Objects of the Issue*”, “*Basis of Issue Price*” and “*Management’s Discussion and Analysis of the Financial Condition and Results of Operations*” beginning on page 27, 129, 87, 98 and 231, respectively, and elsewhere in this Draft Red Herring Prospectus is derived from our Restated Financial Statements. The Restated Financial Statements of our Company included in this Draft Red Herring Prospectus comprises of the Restated Balance Sheet five-month period ended August 31, 2024 and as at financial years ended March 31, 2024 and March 31, 2023 and March 31, 2022 and the Restated Statement of Profit & Loss and Restated Cash Flow Statement for the five-month period ended August 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 along with the summary statement of significant accounting policies read together with the annexures and notes thereto are prepared in accordance with Indian GAAP, and the requirements of Section 26 of the Companies Act, restated in accordance with the SEBI (ICDR) Regulations, and the Revised Guidance Note on Reports in Company Prospectus (Revised 2019) issued by ICAI, together with the schedules, notes and annexure thereto as amended from time to time. e-mail dated October 28, 2021 from SEBI to the Association of Investment Bankers of India, instructing lead managers to ensure that companies provide financial statements prepared in accordance with Indian Accounting Standards (Ind-AS) as at and for the five-month period ended August 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022.

For further details on our Company’s financial information see “*Restated Financial Information*” beginning on page 189.

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Indian GAAP, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Draft Red Herring Prospectus should be limited. There are significant differences between Indian GAAP, U.S.GAAP and IFRS. Our Company does not provide conciliation of its financial statements with IFRS or U.S.GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in

this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal place including percentage figures have been rounded off to two decimal places including percentage figures in “**Risk Factors**”, “**Industry Overview**” and “**Our Business**” on pages 27, 109 and 129, respectively, and accordingly there may be consequential changes in this Draft Red Herring Prospectus.

### **Currency and Units of Presentation**

All references to “₹” or “Rupees” or “Rs” or “INR” are to Indian National Rupee, the official currency of the Republic of India. All references to “US\$”, “U.S. Dollar”, “USD” or “\$” are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in lakhs, except where specifically indicated. One lakh represents 1,00,000. One million represents 10,00,000 and one crore represents 1,00,00,000. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than lakhs in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”.

### **Industry and Market Data**

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “Industry Report on Indian Medical Aesthetics & Cosmetic Dermatology Market” dated February 12, 2025 (the “**KEN Research Report**”) prepared and issued by Ken Research Private Limited (“**Ken Research**”), for providing the Industry report, and exclusively commissioned and paid for by us in connection with the Issue. Ken Research is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the Ken Research Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Ken Research Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the Ken Research Report is available on the website of our Company at [www.aakaarmedical.in](http://www.aakaarmedical.in) until the Bid/Issue Closing Date.

### **Ken Research Report Disclaimer**

Ken Research in the Ken Research Report has also provided certain disclaimer which is reproduced herein below;

*“All information mentioned herein and otherwise as contained in the report has been obtained by us from sources believed by us to be reliable. Although reasonable care has been taken to ensure that the information herein is reliable, such information is provided ‘as is’ without any warranty of any kind, and in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information contained herein must be construed solely as statements of opinion, and we shall not be liable for any losses incurred by users from any use of this publication or its contents.*”

*This letter does not impose any obligation on the Company to include in any of the Offer Documents all or any part of the information with respect to which consent for disclosure is being granted pursuant to this letter”.*

In accordance with SEBI (ICDR) Regulations, 2018 the chapter titled “**Basis of Issue Price**” beginning on page 98 includes information relating to our peer group companies. Such information has been derived from publicly

available sources, and neither we, nor the Lead Manager, have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “**Risk Factors**” beginning on page 27. Accordingly, investment decisions should not be based solely on such information.

### Exchange Rates

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

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

Currency <sup>(1)</sup>	Exchange rate as on August 31, 2024	Exchange rate as on March 31, 2024	Exchange rate as on March 31, 2023	Exchange rate as on March 31, 2022
1 USD	83.87	83.37	82.22	75.81
1 EUR	92.91	90.22	89.61	84.66

Source: [www.fbil.org.in](http://www.fbil.org.in)

(1) The reference rates are rounded off to two decimal places.

In case of a public holiday, the previous working day not being a public holiday has been considered.

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “*aim*”, “*anticipate*”, “*are likely*”, “*believe*”, “*expect*”, “*estimate*”, “*intend*”, “*likely to*”, “*objective*”, “*plan*”, “*project*”, “*propose*”, “*will*”, “*seek to*”, “*will continue*”, “*will pursue*” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this Draft Red Herring Prospectus that are not statements of historical fact constitute ‘forward-looking statements’. All statements regarding our expected financial conditions and results of operations, business plans and objectives, strategies and goals and prospects are forward looking statements.

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

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

- Our expansion into new product categories and an increase in the number of products offered by us may expose us to new challenges and more risks.
- We are also constantly looking to tie-up with reputed brands to distribute their products in India & we derive a majority revenue from these tie-ups which may expose us to various risks.
- We rely on third party contract manufacturers (domestic and international) & loan licensing partners for manufacturing products & devices which we sell under our own Brand. Our dependence on third-party manufacturers for the manufacturing of all our products subjects us to certain risks, which, if realized, could adversely affect our business, results of operations, cash flows and financial condition.
- Our registered office is situated in Maharashtra and we derive a significant portion of our revenue from state of Maharashtra & Karnataka, making us vulnerable to geographical concentration risk.
- We have appointed Parekh Integrated Services Private Limited (PISPL) as a CSA agent for storing, delivering and distributing our products & recovery of dues. Any non-performance or breach of covenants of the CSA agreement executed with PISPL may adversely affect our business operations, profitability and cash flows.
- Failure to identify and effectively respond to changing consumer preferences, consumer behaviour and spending patterns or changing beauty and personal care trends in a timely manner, may adversely affect the demand for our products, impacting our business, results of operations, financial condition and cash flows.
- We may not be able to accurately manage our inventory, this may adversely affect our business, financial condition and results of operations and reputation.

For further details regarding factors that could cause actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 27, 129 and 231, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Applicants that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Applicants are cautioned not to place undue reliance on such

forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Promoters, our Directors, the Book Running Lead Manager nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company and the Book Running Lead Manager will ensure that the Applicants in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity shares pursuant to the Issue.

*[Remainder of the page has been intentionally left blank]*

## SUMMARY OF THE ISSUE DOCUMENT

The following is a general summary of the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including “*Risk Factors*”, “*The Issue*”, “*Capital Structure*”, “*Objects of the Issue*”, “*Industry Overview*”, “*Our Business*”, “*Management’s Discussion and Statements*”, “*Restated Financial Statements*”, “*Outstanding Litigation and Material Developments*”, “*Issue Procedure*”, and “*Description of Equity Shares and Terms of the Articles of Association*” beginning on pages 27, 56, 75, 87, 109, 129, 231, 189, 240, 274 and 311, respectively.

### Summary of Business

Incorporated in the year 2013, We are a medical aesthetic company dealing in a wide range of aesthetics & specialised cosmetic products & devices. Product range includes both Own brands (domestically manufactured products via loan licensing/third party manufacturers) and distribution of products/devices of Imported Brands. We supply our products & devices primarily to aesthetic physicians such as dermatologists, plastic surgeons, aesthetic physicians who then sell these products to their end consumers as well as use certain device consumables as part of their treatments.

### Summary of Industry

The global medical aesthetics and cosmetic dermatology market was valued at USD 35.9 Bn in CY2024 and is projected to reach USD 57.4 Bn by CY2030. The Indian medical aesthetics and cosmetic dermatology market generated a revenue of USD 283.9 Mn in CY2024 @ CAGR of 13.9% during the forecasted period to generate a revenue of USD 618.8 Mn in CY2030. Overall, the market is expected to expand globally, driven by technological innovation, growing consumer demand, and broader acceptance of aesthetic procedures.

### Names of our Promoters

As on the date of this Draft Red Herring Prospectus, Dilip Ramesh Meswani and Bindi Dilip Meswani are the Promoters of our Company. For further details, see “*Our Promoter and Promoter Group*” beginning on page 182.

### Issue Size

The Issue comprises fresh issue of upto 37,50,400 Equity Shares of face value ₹10 each aggregating upto ₹ [●] lakhs and there is no offer for sale. For further details, see “*The Issue*”, “*Issue Structure*”, and “*Issue Procedure*” on page 56, 270 and 274.

<sup>^</sup>Subject to finalization of Basis of Allotment

The Net Proceeds are proposed to be utilized towards funding the following objects:

S. No.	Particulars	Estimated Amount <sup>(1)</sup> (in ₹ Lakhs)
1.	Funding working capital requirements of our Company	2,250.00
2.	General corporate purposes <sup>(1)</sup>	[●]
	<b>Net Proceeds</b>	<b>[●]</b>

(1) To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the ROC. The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds or ₹10 crore, whichever is lower.

For further details, see “*Objects of the Issue*” on page 87.

### Aggregate pre-Issue Shareholding of our Promoters and Promoter Group

The aggregate pre-Issue shareholding of our Promoter and Promoter Group as a percentage of the pre-Issue paid-up equity share capital of our Company is set out below:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Pre-Issue Equity Share capital (%)*	Percentage of the Post-Issue Equity Share capital (%)
<b>Promoters</b>				
1.	Dilip Ramesh Meswani	68,25,000	65.48	[●]
2.	Bindi Dilip Meswani	18,20,000	17.46	[●]
	<b>Sub-total (A)</b>	<b>86,45,000</b>	<b>82.94</b>	<b>[●]</b>
<b>Promoter Group</b>				
1.	Abhash Dilip Meswani	3,54,900	3.41	[●]
2.	Milouni Dilip Meswani	2,10,844	2.02	[●]
3.	Sharda Ramesh Meswani	2,85,769	2.74	[●]
	<b>Sub-total (B)</b>	<b>8,51,513</b>	<b>8.17</b>	<b>[●]</b>
	<b>Total</b>	<b>94,96,513</b>	<b>91.11</b>	<b>[●]</b>

\*Rounded off to the closest decimal

### Summary of Restated Financial Information

A summary of the financial information of our Company as derived from the Restated Financial Statements as of and for five-month period ended August 31, 2024 and as at financial years ended March 31, 2024 and March 31, 2023 and March 31, 2022 as follows:

Particulars	(₹ in Lakhs)			
	August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Net worth	1,239.67	1,252.56	965.54	802.72
Revenue from Operations	2,133.65	4,611.10	3,278.46	1,946.54
Profit/(loss) after tax	(41.62)	287.02	215.31	161.85
Earnings per share (basic) (in ₹)	(0.45)	3.15	2.37	1.78
Earnings per share (diluted) (in ₹)	(0.45)	3.14	2.36	1.78
Net Asset Value per Equity Share	12.81	13.76	10.61	8.82
Total Borrowings	1,876.45	1,505.66	587.43	381.93

1. Net Worth is calculated as the sum of equity share capital and reserves and surplus of the Company;
2. Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period
3. Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period.
4. Net Asset Value per equity share = Net worth attributable to the owners of the company divided by weighted average no. of equity shares outstanding during the year/period. The weighted average no. of equity shares have been presented to reflect the issue of bonus shares subsequent to March 31, 2024.
5. Total borrowings is the sum of long term borrowings and short term borrowings.
6. The basic and diluted earnings per share for the Equity Shares of our Company has been presented to reflect the issue of bonus shares subsequent to March 31, 2024.

For further details, see “**Financial Information**” beginning on page 189.

### Qualifications of the Statutory Auditors

There are no qualifications by the Statutory Auditors which have not been given effect in the Restated Financial Statements. For further details, see “**Financial Information**” beginning on page 189.

## Summary of outstanding litigation

A summary of outstanding litigation proceedings as on the date of this Draft Red Herring Prospectus as disclosed in the section titled “**Outstanding Litigations and Material Development**” in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

(₹ in lakhs)

Nature of Cases	Number of outstanding cases	Amount Involved *
<b>Litigation involving our Company</b>		
Criminal proceeding against our Company	Nil	Nil
Criminal proceedings by our Company	1	7.39
Material civil litigation against our Company	Nil	Nil
Material civil litigation by our Company	1	35.60
Actions by statutory or regulatory Authorities	Nil	Nil
Direct and indirect tax proceedings	1	26.38
<b>Litigation involving our Directors (other than Promoters)</b>		
Criminal proceedings against our Directors (other than Promoters)	1	Not Ascertainable
Criminal proceedings by our Directors (other than Promoters)	Nil	Nil
Material civil litigation against our Director (other than Promoters)	Nil	Nil
Material civil litigation by our Director (other than Promoters)	1	Not Ascertainable
Actions by statutory or regulatory authorities (other than Promoters)	Nil	Nil
Direct and indirect tax proceedings	1	4.09
<b>Litigation involving our Promoter</b>		
Criminal proceedings against our Promoter	Nil	Nil
Criminal proceedings by our Promoter	1	7.39
Material civil litigation against our Promoter	Nil	Nil
Material civil litigation by our Promoter	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	4	4.20

\*To the extent quantifiable.

For further details on the outstanding litigation proceedings, see “**Outstanding Litigation and Material Developments**” and “**Risk Factors**” beginning on page 240 and page 27 respectively.

## Risk factors

For further details, see “**Risk Factors**” beginning on page 27.

## Summary of contingent liabilities

The following table sets forth our contingent liabilities as at the five-month period ending August 31, 2024 & financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 as per the Restated Financial Information:

(₹ in lakhs)

Particulars	As at			
	For the period ended August 31, 2024	Financial Year 2024	Financial Year 2023	Financial Year 2024
Amount of Dispute pending under Consumers Protection Act, 2019	35	35	-	-
Amount of liability outstanding on account of dispute under Goods and Service Tax Act, 2017	26.38	26.38	-	-

For details, see “**Restated Financial Statements**” beginning on page 189.

## Summary of Related Party Transactions

The summary detail of the related party transactions entered by our Company as per the Restated Financial Information for the five months period ended August 31, 2024 and the Financial Year ended on March 31, 2024, 2023, and 2022.

### List of Related parties

Names of the related parties with whom transactions were carried out during the years and description of relationship:

<b>Key Managerial Personnel</b>	Dilip Meswani
	Bindi Meswani
	Dr. Rahul Sawakhande (w.e.f. 06-06-2024)
	Revigen Medicare Private Limited
	Aesthetic Solutions
	Milouni Dilip Meswani
	Abhash Meswani
	Sharda Meswani
	Sweta Shah (w.e.f. 08-06-2024)
	Rita Prasad

The following transactions were carried out with the related parties in the ordinary course of business

Nature of Transaction	Name of Related Party	For the period ended Aug 31, 2024	For the year ended		
			Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
					(₹ in lakhs)
<b>Loans Taken</b>	- Bindi Meswani	-	84.63	45.58	4.43
	- Dilip Meswani	-	160.31	224.55	7.86
	- Milouni Meswani	76.70	145.70	14.68	0.89
	- Sharda Meswani	177.90	15.51	104.94	58.80
<b>Loan Given</b>	- Dr. Rahul Sawakhande	45.95	-	-	-
<b>Security Deposit Paid</b>	- Bindi Meswani	12.00	-	-	-
<b>Rent paid</b>	- Bindi Meswani	9.20	19.20	15.00	13.95
	- Bindi Meswani	-	96.94	16.67	4.83
<b>Loan Repaid</b>	- Dilip Meswani	-	179.40	31.39	55.16
	- Milouni Meswani	76.70	86.53	4.26	1.71
	- Sharda Meswani	177.90	14.53	38.92	16.80
	- Bindi Meswani	1.55	4.91	3.13	2.43
<b>Interest Paid</b>	- Dilip Meswani	6.89	18.10	5.06	1.51
	- Milouni Meswani	2.87	2.61	0.76	0.77
	- Sharda Meswani	7.84	18.72	21.43	13.67
	- Bindi Meswani	-	-	10.50	11.20
<b>Dividend Paid</b>	- Dilip Meswani	-	-	39.38	42.00
	- Milouni Meswani	-	-	0.53	0.56
	- Abhash Meswani	-	-	2.05	2.18
	- Sharda Meswani	-	-	0.05	0.06
<b>Director Remuneration Paid</b>	- Bindi Meswani	5.00	54.40	22.50	15.60
	- Dr. Rahul Sawakhande	18.75	-	-	-
	- Dilip Meswani	7.50	40.60	39.00	27.50
<b>ESOP Granted</b>	- Dr. Rahul Sawakhande	54.26	-	-	-
<b>Sale of Products</b>	- Aesthetic Solutions	1.52	4.06	5.73	-
<b>Purchase of Products</b>	- Revigen Medicare Pvt Ltd	-	18.64	8.50	8.50
<b>Salary Paid</b>	- Milouni Meswani	4.69	11.25	27.00	19.15
	- Sweta Shah	4.39	-	-	-

Nature of Transaction	Name of Related Party	For the period ended Aug 31, 2024	For the year ended		
			Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
	- Rita Prasad	1.35	4.24	4.24	3.00

Related Parties outstanding balances enumerated in the table below:

(₹ in Lakhs)

Nature of Transaction	Key Management Personnel	For the period ended Aug 31, 2024	For the year ended		
			Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Loans Taken	- Bindi Meswani	41.00	41.00	53.31	24.40
	- Dilip Meswani	182.50	182.50	201.59	8.43
	- Milouni Meswani	76.70	76.70	17.53	7.11
	- Sharda Meswani	209.00	209.00	208.01	141.99
Interest Payable	- Bindi Meswani	1.55	-	-	-
	- Dilip Meswani	6.89	-	-	-
	- Milouni Meswani	2.87	-	-	-
	- Sharda Meswani	7.84	-	-	-
Loan / Advances Given	- Dr. Rahul Sawakhande	45.95	-	-	-
Security Deposit	- Bindi Meswani	12.00	-	-	-

### Financing Arrangements

There have been no financing arrangements whereby our Promoter, member of Promoter Group, Directors of our Company and their relatives have financed the purchase of any securities of our Company by any other person during a period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

### Weighted average price at which the Equity Shares were acquired by our Promoters in the one year preceding the date of this Draft Red Herring Prospectus

Name of the Promoters	Number of equity shares acquired in the one year preceding the date of this Draft Red Herring Prospectus	Weighted average price per Equity Share (₹)
Dilip Ramesh Meswani	Nil	Nil
Bindi Dilip Meswani	Nil	Nil

As certified by M/s C B Mehta & Associates, Chartered Accountants pursuant to their certificate dated February 25, 2025.

### Average Cost of Acquisition of Equity Shares by our Promoters

Name of the Promoters	Number of equity shares acquired	Average cost price per Equity Share (₹)
Dilip Ramesh Meswani	68,25,000	0.11
Bindi Dilip Meswani	18,20,000	0.11

As certified by M/s C B Mehta & Associates, Chartered Accountants pursuant to their certificate dated February 25, 2025.

### Weighted average cost of acquisition of all shares transacted<sup>^</sup> in (i) last one (1) year; (iii) last eighteen (18) months and (iii) last three (3) years preceding the date of this Draft Red Herring Prospectus

Period	Weighted average cost of acquisition (in ₹)	[●] [to be updated as per CA Cert.]	Cap Price is 'X' times the Weighted Average Cost of Acquisition**	Range of acquisition price: lowest price – highest price (in ₹)
Last one (1) year preceding the date of this Draft Red Herring Prospectus	39.73	[●]	[●]	8.79-64
Last eighteen (18) months preceding the date of this Draft Red Herring Prospectus	39.73	[●]	[●]	8.79-64

Period	Weighted average cost of acquisition (in ₹)	[●] [to be updated as per CA Cert.]	Cap Price is 'X' times the Weighted Average Cost of Acquisition**	Range of acquisition price: lowest price – highest price (in ₹)
Last three (3) years preceding the date of this Draft Red Herring Prospectus	39.73	[●]	[●]	8.79-64

As certified by M/s C B Mehta & Associates, Chartered Accountants pursuant to their certificate dated February 25, 2025.

\*\*To be updated once the price band information is available

For further details, see “**Capital Structure**” beginning on page 75.

### Details of Pre-IPO Placement

Our Company is not proposing to undertake any pre-IPO placement.

### Issue of Equity Shares for consideration other than cash in the last one year or by way of bonus

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
August 25, 2021	6,00,000	10	N.A.	Bonus issue in the ratio of six bonus Equity Shares for every one Equity Share held in the Company <sup>(1)</sup>	Capitalization of reserves
August 2024	38,298	10	N.A.	Bonus issue in the ratio of six bonus Equity Shares for every one Equity Share held in the Company <sup>(2)</sup>	Capitalization of reserves
August 2024	89,36,172	10	N.A.	Bonus issue in the ratio of Twelve bonus Equity Shares for every one Equity Share held in the Company <sup>(3)</sup>	Capitalization of reserves

(1) Allotment of 4,50,000 Equity Shares to Dilip Ramesh Meswani, 1,20,000 Equity Shares to Bindi Dilip Meswani, 23,400 Equity Shares to Abhash Dilip Meswani, 6,000 Equity Shares to Milouni Dilip Meswani, 600 Equity Shares to Sharda Ramesh Meswani, as Bonus Issue in the ratio of 6:1, i.e., six bonus Equity Shares for every one fully paid-up Equity Shares held by the shareholders of the Company.

(2) Allotment of 38,298 Equity Shares to Rahul Babasaheb Swakhande as Bonus Issue in the ratio of 6:1, i.e. six bonus Equity Shares for every one fully paid-up Equity Shares held by the shareholders of the Company.

(3) Allotment of 63,00,000 Equity Shares to Dilip Ramesh Meswani jointly with Bindi Dilip Meswani, 16,80,000 Equity shares to Bindi Dilip Meswani jointly with Dilip Ramesh Meswani, 7,200 Equity shares to Sharda Ramesh Meswani jointly with Dilip Ramesh Meswani, 3,27,600 Equity shares to Abhash Dilip Meswani jointly Shurti Mishra, 84000 Equity shares to Milouni Dilip Meswani with Kunal Jhanwer, 1200 Equity shares to Pranisha Prasad Jointly with Rita Meswani, 5,36,172 Equity shares to Rahul Babasaheb Sawakhande as Bonus Issue in the ratio of 12:1, i.e. Twelve bonus Equity Shares for every one fully paid-up Equity Shares held by the shareholders of the Company.

For further details pertaining to Issue of Equity Shares for consideration other than cash or by way of bonus, kindly refer to the chapter titled “**Capital Structure**” beginning on page 75.

### Split/ Consolidation of equity shares in the last one year

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year as on the date of this Red Herring Prospectus.

### Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not taken any exemption from complying with any provisions of the Securities Law from SEBI as on the date of filing of this Draft Red Herring Prospectus.

## SECTION II – RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this Section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or any other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or any part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this Section is derived from our Restated Financial Statements prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this Section in conjunction with “**Our Business**”, “**Industry Overview**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on page 129, 109 and 231 as well as other financial information contained herein. For capitalized terms used but not defined herein, see “**Definitions and Abbreviation**” on page 1.*

### **Materiality:**

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

- *Some risks may not be material individually but may be material when considered collectively;*
- *Some risks may have an impact which is qualitative though not quantitative;*
- *Some risks may not be material at present but may have a material impact in the future.*

*Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, see “**Forward-Looking Statements**” on page 19.*

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this Section. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

*In this Draft Red Herring Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.*

*Unless the context otherwise requires, in this section, references to “**we**”, “**us**” and “**our**” or “**our Company**” refers to Aakaar Medical Technologies Limited on standalone basis.*

*The risk factors are classified as under for the sake of better clarity and increased understanding:*

**INTERNAL RISK FACTORS:**

**BUSINESS RELATED RISKS**

1. *A substantial portion of the revenue is derived from sale of imported third party manufactured brands which exposes us to various risk.*

We are a medical aesthetic company dealing in a wide range of aesthetics and specialized cosmetic products & devices. Our product range includes both, own brands (domestically manufactured products) and imported brands (distribution of imported brands) from countries such as Korea, Spain, Italy, and Austria. Listed below is our revenue bifurcation from sale of aesthetics and specialized cosmetic products & devices under our brand and imported brands:

**Business Model Wise split of Revenue from Operations**

(₹ in lakhs, unless otherwise stated)

Sr. No.	Particulars	Five-month period ending August 31,2024		Financial Year 2024		Financial Year 2023		Financial Year 2022	
		₹ in Lakhs	% Share	₹ in Lakhs	% Share	₹ in Lakhs	% Share	₹ in Lakhs	% Share
<b>A</b>	<b>Own brands</b>	<b>844.37</b>	<b>39.57</b>	<b>1393.65</b>	<b>30.22</b>	<b>774.47</b>	<b>23.62</b>	<b>527.59</b>	<b>27.10</b>
1	Aesthetic Products	727.54	34.10	896.89	19.45	429.32	13.10	291.28	14.96
2	Devices & Device Consumables	1,16.83	5.47	496.76	10.77	345.15	10.52	236.31	12.14
<b>B</b>	<b>Imported Brands</b>	<b>1,289.28</b>	<b>60.43</b>	<b>3217.45</b>	<b>69.78</b>	<b>2,503.99</b>	<b>76.38</b>	<b>1,418.95</b>	<b>72.90</b>
1	Aesthetic Products	1,141.86	53.52	2532.95	54.93	1925.59	58.73	1,094.82	56.25
2	Devices & Device Consumables	147.42	6.91	684.50	14.84	578.40	17.64	324.13	16.65
<b>A+B</b>	<b>Total Revenue from Operations</b>	<b>2,133.65</b>	<b>100.00</b>	<b>4,611.10</b>	<b>100.00</b>	<b>3,278.46</b>	<b>100.00</b>	<b>1,946.54</b>	<b>100.00</b>

**Number of SKUs**

Particulars	Five months period ended on August 31,2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
<b>Imported Brands</b>	<b>91</b>	<b>82</b>	<b>82</b>	<b>82</b>
Products	67	63	63	63
Devices & Device Consumables	24	19	19	19
<b>Own Brands</b>	<b>60</b>	<b>58</b>	<b>39</b>	<b>39</b>
Products	47	45	30	28
Devices & Device Consumables	13	13	9	11
<b>Total</b>	<b>151</b>	<b>140</b>	<b>121</b>	<b>121</b>

### Number of Unit of SKUs sold (In Numbers)

Particulars	Five-month period ending ended August 31,2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
Aesthetic Products	1,90,153	3,12,348	2,07,838	1,45,928
Aesthetic Devices & Device Consumables (A+B)	3,087	14,854	12,599	11,229
(A)Device	28	145	115	100
(B)Device Consumables	3,059	14,709	12,484	11,129
<b>Total</b>	<b>1,93,240</b>	<b>3,27,202</b>	<b>2,20,437</b>	<b>1,57,157</b>

For details, see “*Our Business – Our Business Model*” on page 130.

Our business relies significantly on long-term relationships with the international manufacturers for the procurement and distribution of specialized cosmetic and medical aesthetic products. Any disruption in these relationships, supply chain issues, or discontinuation of our alliance could adversely impact our ability to maintain a steady inventory and supply continuity, affecting customer satisfaction and revenue.

We are also exposed to risks associated with foreign trade policies, tariffs, international shipping logistics, and geopolitical factors that may hinder seamless operations. Furthermore, we operate in an environment where import regulatory policies are subject to change, potentially affecting our ability to bring in and distribute products smoothly. Stricter import restrictions, increased tariffs, licensing requirements, or regulatory scrutiny could lead to delays, added costs, or even restrictions on specific products, impacting our operational efficiency.

Additionally, pricing volatility and cost fluctuations from our such foreign manufacturers can directly impact our profit margins and selling prices. Any increase in acquisition costs due to raw material price hikes, inflation, or supplier-imposed pricing changes could force us to either absorb the costs, affecting profitability, or pass them onto consumers, potentially impacting demand and competitiveness in the market.

Although, we have not faced any of the above material risks in past three fiscals, any of such event in the future could materially affect our business operations, financial stability, and market position.

- We rely on third party contract manufacturers (domestic and international) & loan licensing partners for manufacturing products & devices which we sell under our own Brand. Our dependence on third-party manufacturers for the manufacturing of all our products subjects us to certain risks, which, if realized, could adversely affect our business, results of operations, cash flows and financial condition.***

Our business model relies entirely on third-party contract manufacturers and loan licensing partners, both domestic and international, for the production of our own-brand products and devices. Below is the break-up of revenue from product manufactured from third parties/loan licensing partners sold under our Brand in the five month period ended August 31, 2024 and last three years;

(Amount in ₹ Lakhs, unless otherwise stated)

Sr. No.	Particulars	Five-month period ended August 31, 2024			Financial Year 2024			Financial Year 2023			Financial Year 2022		
		₹ Lakhs	in % of Revenue from Operations		₹ Lakhs	in % of Revenue from Operations		₹ Lakhs	in % of Revenue from Operations		₹ Lakhs	in % of Revenue from Operations	
<b>Revenue from Third-party contract manufacturers and loan licensing product</b>													
1	Aesthetic Products	727.54	34.10		896.89	19.45		429.32	13.10		291.28	14.96	

Sr. No.	Particulars	Five-month period ended August 31, 2024			Financial Year 2024			Financial Year 2023		
		₹ Lakhs	in % of Revenue from Operations	₹ Lakhs	in % of Revenue from Operations	₹ Lakhs	in % of Revenue from Operations	₹ Lakhs	in % of Revenue from Operations	
2	Devices & Device Consumables	1,16.83	5.47	496.76	10.77	345.15	10.52	236.31	12.14	
<b>Total</b>		<b>844.37</b>	<b>39.57</b>	<b>1,393.65</b>	<b>30.22</b>	<b>774.47</b>	<b>23.62</b>	<b>527.59</b>	<b>27.10</b>	
<b>Total Revenue from Operations</b>		<b>2,133.65</b>	<b>100</b>	<b>4,611.10</b>	<b>100</b>	<b>3,278.46</b>	<b>100</b>	<b>1,946.5</b>	<b>100</b>	

While we prescribe the formulations, technical standards, and quality specifications, the actual manufacturing process is outside our direct control. This heavy dependence on third-party manufacturing exposes us to several risks that could adversely affect our business operations, financial performance, and overall growth prospects.

Key risks associated with our reliance on third-party manufacturers include:

- *Continuity of Supply and Relationship Dependence:* Our ability to maintain a consistent supply of products depends on our relationships with third-party manufacturers. Any disruptions in these partnerships, supply chain constraints, or termination of agreements could impact inventory levels, order fulfilment, and business continuity.
- *Cost Volatility and Margin Impact:* Fluctuations in the cost of acquiring manufactured products, whether due to raw material price hikes, inflation, currency exchange rates, or revised contractual terms, could directly affect our profit margins and pricing strategy. Increased costs may either reduce profitability or necessitate higher selling prices, potentially impacting competitiveness and demand.
- *Quality Control and Compliance Risks:* Despite periodic quality oversight by our executives at manufacturing facilities, we remain dependent on the quality control systems, processes, and certifications of third-party manufacturers. Any failure to meet regulatory compliance, substandard production quality, or deviations from prescribed formulations could lead to product recalls, reputational damage, and potential legal liabilities.
- *Operational Risks at Third-Party Manufacturing Facilities:* Our manufacturers are subject to various operational risks, including:
  - Equipment breakdowns, power outages, and supply chain disruptions.
  - Labor disputes, accidents, or natural and man-made disasters.
  - Unavailability of critical raw materials, consumables, and spare parts.
  - Regulatory inspections or actions that may result in production halts or facility shutdowns.
  - Production inefficiencies leading to delayed order fulfillment or inconsistent output levels.
- *Regulatory and Contractual Risks:* Our agreements with third-party manufacturers are subject to periodic renewals, renegotiations, and potential non-renewals. Additionally, evolving regulations and policy changes in the regions where we operate could impose stricter compliance requirements, leading to higher costs, shipment delays, or restrictions on specific product categories.

- **Liability and Safety Concerns:** Since we do not directly own or control manufacturing facilities, we may still be exposed to legal and financial liabilities for any workplace accidents, injuries to manufacturer employees, or safety-related incidents at contract manufacturing sites.
- **Intellectual Property and Trade Secret Protection:** Given that third-party manufacturers have access to our proprietary formulations and technical specifications, there is a risk of misappropriation of intellectual property, leakage of trade secrets, or unauthorized use of our product designs, potentially leading to competition or counterfeit products in the market.
- **Financial and Business Stability of Manufacturers:** Any adverse financial conditions, bankruptcy, or business disruptions faced by our contract manufacturers may result in sudden supply chain disruptions, production delays, or non-fulfilment of commitments, affecting our ability to meet customer demand.
- **Logistics, Shipment, and Delivery Delays:** Dependence on third-party manufacturers means we are also reliant on their ability to meet delivery timelines and shipment schedules. Any delays in production, regulatory approvals, or transportation bottlenecks could lead to stock shortages, order backlogs, and customer dissatisfaction.

While we have not faced any above detailed material risk in the past three Financial Years and for the five-month period ended August 31, 2025, we cannot assure that we will not face such material adverse events in the past. Any of the above stated risks if realized, could adversely affect our business, results of operations, cash flows and financial condition.

**3. Our registered office is situated in Maharashtra and we derive a significant portion of our revenue from state of Maharashtra and Karnataka, making us vulnerable to geographical concentration risk.**

Our registered office is situated in Maharashtra and our top 2 revenue contribution in terms of total revenue over the five-month period ended August 31, 2024 during the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 were Maharashtra & Karnataka contributing significantly to the revenue. The revenue earned from our key states :- Maharashtra and Karnataka for the five-month period ended August 31, 2024 during the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 have been provided below:

(₹ in Lakhs)

State	Five - month ended August 31, 2024	% of total revenue from operations	Financial Year 2024	% of total revenue from operations	Financial Year 2023	% of total revenue from operations	Financial Year 2022	% of total revenue from operations
Maharashtra	303.93	14.24	887.28	19.24	653.67	19.93	399.07	20.50
Karnataka	280.93	13.16	597.63	12.96	362.06	7.85	163.83	8.41
	1,548.7	72.60		67.80		72.22		71.09
Other States	9		3,126.19		2,262.73		1,383.46	
<b>Total Revenue from Operations</b>	<b>2,133.65</b>	<b>100.00</b>	<b>4,611.10</b>	<b>100.00</b>	<b>3,278.46</b>	<b>100</b>	<b>1,946.54</b>	<b>100</b>

Any unforeseen adverse events in these states could materially impact our financial performance, cash flows, and overall operational stability. Regulatory and policy changes, such as modifications in trade policies, taxation, or industry-specific compliance requirements, could hinder our ability to sell and distribute products in these regions. Additionally, economic slowdowns, shifts in consumer demand, or increased competition could lead to a decline in sales volume, affecting our market share.

Political and social disruptions, such as strikes, protests, or regional instability, may interfere with our supply chain and retail operations, while natural disasters or pandemics could further exacerbate these

challenges by disrupting logistics and reducing consumer spending. Furthermore, if regulatory authorities impose bans or restrictions on our products in Maharashtra or Karnataka, we could suffer significant revenue losses.

As we are significantly reliant on the market of Maharashtra and Karnataka, any unfavorable developments in these states could have a material adverse effect on our business operations, profitability, and long-term growth prospects. For details, see “*Our Business*” on page 129.

**4. We have appointed Parekh Integrated Services Private Limited (PISPL) as a CSA agent for storing, delivering and distributing our products & recovery of dues. Any non-performance or breach of covenants of the CSA agreement executed with PISPL may adversely affect our business operations, profitability and cash flows.**

In order to direct all our efforts towards product formulation, marketing and development, we have outsourced key functions such as manufacturing, prototype development, distribution & Recovery to third parties, for effective management and execution. In line with the above, our Company has created a structured storage and distribution chain wherein we have engaged PISPL in the capacity of Consignment Sales Agent. In view of the above, our Company has entered into a CSA agreement dated June 26, 2023. Under this arrangement, we transfer periodically our products to PISPL for the purpose of storing, delivering and distributing the same in the regions that we operate via a stock transfer note. In accordance with the CSA Agreement, our Company upon receiving an order from clinics, doctors, Stockists etc., passes on the order for execution to PISPL. PISPL then issues the invoice and final sale is recorded in the books of Aakaar. PISPL also takes care of the recovery of dues for Aakaar. Below is the break-up of revenue from PISPL and direct sales through Aakaar:-

*(₹ in Lakhs, unless otherwise stated)*

Particulars	Five- month ended August 31,2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
Direct Revenue	401.83	2,056.08	2,761.42	1,768.11
<b>% of Revenue from Operations</b>	<b>18.83</b>	<b>44.59</b>	<b>84.23</b>	<b>90.83</b>
Sales Through PISPL	1,731.82	2,555.02	517.04	178.43
<b>% of Revenue from Operations</b>	<b>81.17</b>	<b>55.41</b>	<b>15.77</b>	<b>9.17</b>
Total Sales	2,133.65	4,611.10	3,278.46	1,946.54
<b>% of Total Revenue from Operations</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

We are significantly dependent upon PISPL for storing and distributing our products to our customer in a timely and efficient manner. Accordingly, the performance of PISPL and its ability to reach out to our end use customers and execute orders efficiently and in a timely manner is crucial to the future growth of our business. PISPL may not continue to be successful in efficiently distributing our products. Our dependence on partnerships with PISPL to distribute our products may subject us to a number of risks, including not being able to control the amount and timing of resources that PISPL may devote towards storage, maintenance and distribution of our products. As a result of this arrangement, some of the variables that may affect our business are not exclusively within our control. Further, in case of termination of our agreement due to certain reasons, we may not be able to renegotiate these contract arrangements on reasonable terms or may take some time to find suitable alternatives in the future. This can have a short term impact on our business until a replacement is found.

5. ***Failure to identify and effectively respond to changing consumer preferences, consumer behaviour and spending patterns or changing beauty and personal care trends in a timely manner, may adversely affect the demand for our products, causing our business, results of operations, financial condition and cash flows.***

The dermatology and cosmetics market experiences frequent changes in consumer preferences, product innovations, and evolving sales channels. Consumer behavior in this industry is unpredictable, and any failure to adapt to these changes may result in reduced demand and competitive disadvantage. The introduction of new products or variations by competitors may impact our market positioning and sales performance.

While we focus on brand recognition, marketing strategies, and product development, our success depends on our ability to monitor and respond to shifts in consumer preferences, industry trends, and changes in purchasing behaviour. If we fail to anticipate or adjust to these changes, it may result in lower demand, reduced sales, and declining market share. Additionally, inaccurate demand forecasting or misalignment with consumer needs could affect customer acquisition and retention. If we are unable to adapt to shifts in the industry, product innovations, or regulatory changes, it may have an impact on our business operations, revenue, financial performance, and cash flow.

6. ***We may not be able to accurately manage our inventory, this may adversely affect our business, financial condition and results of operations and reputation.***

The success of our business depends on our ability to anticipate and accurately forecast demand from doctors and industry trends. Errors in demand forecasting may lead to either excess inventory, which may not be sold in a timely manner or at all, or insufficient stock, which could impact our ability to meet consumer demand. Our inventory planning and product design processes commence before product launch, and sales projections are based on estimated demand.

Maintaining product availability requires efficient coordination among manufacturers, warehouse management, and our CSA partner to ensure timely production and distribution. Despite efforts to minimize under-stocking and over-stocking, our demand estimates may not always be accurate. If demand is miscalculated, we may face excess inventory that requires discounting or disposal, leading to financial losses, or a shortage of products that affects sales and customer satisfaction.

There is no assurance that surplus stock can be sold in a timely manner, or at all, which may negatively impact our business operations, financial performance, and cash flows.

7. ***Our Company has reported negative cash flow in the past. Any negative cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.***

Our Company has experienced negative net cash flow from operating, investing and financing activities in the recent past, the details of which are provided below:

Particulars	Five- month ended August 31,2024	Financial Year 2024	Financial Year 2023	(in ₹ Lakhs)
				Financial Year 2022
Net cash generated/(utilized in) from operating activities	(349.79)	(804.40)	(292.75)	48.40
Net cash utilized in investing activities	(6.60)	(3.83)	(32.03)	(22.73)
Net cash (utilized in)/generated from financing activities	501.64	819.10	116.89	(80.91)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. We may continue to have negative operating cash flows in future. If our Company is

not able to generate sufficient operating cash flows, it may adversely affect our business and financial operations. For further details, see “*Restated Financial Statement*” on page 189.

8. ***As the market for aesthetic treatments grows, the number of clinics and practitioners offering these services is increasing in India which may increase competition among clinics leading to competitive pricing of products. Any change in product pricing will impact revenue and profitability of the business.***

The growing market for aesthetic treatments in India has led to an increase in clinics and practitioners, intensifying competition and driving competitive pricing strategies. While this expansion improves accessibility to treatments, it also challenges businesses to maintain profitability and uphold quality standards. In the premium cosmetic dermatology segment, where product effectiveness is a key differentiator, price competition is less intense due to the clear understanding of benefits among consumers. However, in the mass-market segment, pricing pressure is a significant challenge, leading to cost-driven compromises.

Manufacturers and suppliers may prioritize cost reduction over product innovation or advanced features, potentially impacting quality and differentiation. This creates an environment where companies must balance affordability with maintaining high standards and continuous innovation. Failure to effectively navigate this challenge could impact market positioning, revenue generation, and brand perception, affecting long-term business sustainability. For details, see “*Our Industry*” on page 109.

9. ***We may be subject to unfair competitive or trade practices, like the availability of counterfeit injectables, skincare products, and aesthetic devices, which may reduce our sales and harm our brands, adversely affecting our business, financial condition, cash flows and results of operations.***

The demand for aesthetic treatments has led to a surge in the availability of counterfeit injectables, skincare products, and aesthetic devices. These fake products often mimic well-known brands but lack the efficacy and safety standards of genuine products, posing serious health risks to patients. The use of counterfeit products can lead to severe adverse reactions, including infections, skin damage, and other complications, undermining consumer confidence in aesthetic treatments. These products are typically sold at lower prices, making them attractive to budget-conscious consumer. This may harm our business undermining consumer confidence in these treatments which may lead to adversely affecting our business, financial condition, cash flows and results of operations. For details, see “*Our Industry*” on page 109.

10. ***Invasive and non-invasive procedures alike carry risks, including infections, scarring, and unintended aesthetic outcomes which may deter the patients from seeking treatments and impact the demand for the products and devices used for these treatments.***

Both invasive and non-invasive aesthetic procedures carry inherent risks, including infections, scarring, and unintended aesthetic outcomes, which may discourage patients from seeking treatments. As the popularity of these procedures grows, the incidence of complications and safety concerns has also increased, impacting the demand for products and devices used in such treatments.

The presence of unlicensed practitioners and clinics performing procedures without adequate training further amplifies these concerns, particularly in regions where regulatory oversight is weak. This increases the risk of adverse outcomes, legal disputes, and patient dissatisfaction, negatively impacting the industry. Additionally, the use of substandard products and non-certified equipment, such as lasers, injectables, and other cosmetic tools, can lead to severe complications, including burns, allergic reactions, and disfigurement.

These safety concerns may erode patient confidence and may create a negative perception of aesthetic treatments, affecting market growth, product adoption, and overall industry stability. If industry-wide safety issues persist, the demand for our products and devices may decline, impacting our business operations and financial performance.

**11. We have contingent liabilities and our financial condition could be adversely affected if these contingent liabilities materialize.**

As of August 31, 2024, contingent liabilities disclosed in the notes to our Restated Financial Statements aggregated ₹lakhs. The following table sets forth our contingent liabilities as at for the five-month period ended August 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 as per the Restated Financial Statements:

(₹ in Lakhs)

Particulars	As at			
	For the period ended August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Amount of Dispute pending under Consumers Protection Act, 2019	35.00	35.00	-	-
Amount of liability outstanding on account of dispute under Goods and Service Tax Act, 2017	26.38	26.38	-	-

*If any of these contingent liabilities materialize, our financial condition and results of operation may be adversely affected. For details, please see "Restated Financial Statements - Contingent Liabilities" on page 220.*

**12. Product liability claims and product recalls could harm our reputation, business, financial condition, cash flows and results of operations.**

Our business is exposed to product liability claims and potential product recalls, which could have a significant impact on our reputation, financial condition, and operations. Any defect, safety concern, or adverse reaction arising from the use of our products could lead to claims from customers, healthcare professionals, or regulatory bodies, resulting in legal disputes, compensation costs, and reputational damage.

If a product is found to be non-compliant with regulatory standards or poses safety risks, we may be required to initiate a recall, leading to financial losses, regulatory penalties, and disruption in supply chains. Additionally, repeated recalls or product-related issues could undermine consumer confidence, reduce demand for our products, and impact long-term brand credibility.

As on the date of this Draft Red Herring Prospectus, we do not have product liability insurance coverage, which further exposes us to financial risk in the event of product-related claims or recalls. Any significant liability claim could result in high legal expenses, settlements, or compensation costs, which would have to be borne directly by the company, impacting our cash flows and financial stability.

Managing product liability risks requires strict quality control, regulatory compliance, and risk mitigation strategies. However, without insurance coverage, we remain vulnerable to potential financial and legal consequences arising from unexpected product-related issues, which could adversely affect our business operations and market position.

**13. Our inability to manage our growth may disrupt our business and reduce our profitability.**

Our business has experienced significant growth in recent Financial Year years, with an increase in revenue from operations. As part of our growth strategy, we are focused on diversifying our product offerings, expanding our customer base, and broadening our geographic footprint to minimize exposure to specific markets and segments. However, this expansion places substantial demands on our management, operational, and financial resources, requiring continuous investment in infrastructure, workforce, internal controls, and financial management.

Managing growth effectively requires enhanced operational efficiency, strong financial controls, and scalable administrative processes. Failure to adequately address these challenges, allocate resources efficiently, or respond to evolving market conditions may result in operational inefficiencies, increased costs, or disruptions in business processes. Additionally, the need for skilled personnel, advanced

technology, and regulatory compliance will increase as the business scales, further impacting profitability if not managed effectively.

If we are unable to manage our growth efficiently, including addressing risks, uncertainties, or operational constraints, it may negatively impact business continuity, reduce profitability, and limit our ability to sustain long-term expansion.

14. ***We rely extensively on our operational support systems, including our CSA partners information technology systems/software in managing our supply chain, procurement process, logistics and other integral parts of our business. Failure of the system/to protect the data/seamless transfer of data from the CSA partner to the Company, could adversely affect our business, financial conditions and results of operations.***

We are reliant on our information technology systems as well as the third-party software called “Etendo” used by our CSA partner in connection with order booking, procurement of products from contract manufacturers, accounting and distribution. The data being managed on the Etendo software includes Customer Master, Sales Team Master, ITEM Master, Order details, Inventory received at PISPL etc. Furthermore, these systems/software’s are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. Disruption or failure of our IT systems could have a material adverse effect on our operations. A significant or large-scale malfunction or interruption of one or more of our IT systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that there could be a data misuse via unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy. Such malfunction or disruptions could cause economic losses. Also to substantially mitigate the risk of any data loss or data misuse at the PISPL data servers Aakaar has entered into a separate data security agreement with PISPL dated July 1, 2024 which deals with data storage for at least 8 years, access of data to selected persons as well as seamless transfer of data from PISPL to Aakaar as & when required.

15. ***The success of our business depends substantially on our management team and operational workforce. Our inability to retain them could adversely affect our businesses.***

The success of our business depends substantially on our management team and operational workforce. Our senior management and key management personnel are difficult to replace. From time to time, there may be changes in our executive management team or other key employees to enhance the skills of our teams or as a result of attrition. However, the attrition rate of our senior management is not high. We cannot assure you that we will continue to retain any or all of the key members of our management. We do not maintain key personnel insurance in respect of the risk of the loss of any of our Promoters, senior managers or other key managerial personnel.

As part of our growth, we are continually reviewing and hiring experienced and qualified professionals. Our success depends on our ability to recruit, develop and retain qualified and skilled personnel, for all our lines of business. Below is the details of number of employees and attrition rate of the company:

Particulars	As at Five- month period ending August 2024*	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Number of Employees	168	168	124	84
Attrition Rate**	25.00%*	28.77%	23.08%	22.37%

\*not annualised

\*\*Attrition rate is calculated based on actual number of employees leaving the organization divided by average number of employees during the year

Further, our success in large part depends upon the continued service of our Managing Director, Mr. Dilip Meswani, and CEO, Mr. Rahul Sawarkhande. They have deep industry knowledge and, along with other key individuals in our business, play a strategic role in developing and building relations with our key

stakeholders, including investors, board members, suppliers and other strategic business relationships on a regular basis. They have played, and are expected to continue to play, a significant role in building and maintaining strong relationships with critical stakeholders into the future. If they were to step down from their leadership positions in our Company, our reputation could deteriorate, and our business could be adversely affected.

**16. *The orders placed by customers may be delayed, modified or cancelled, which may have an adverse effect on our business, financial condition and results of operations.***

Our ability to execute orders efficiently and deliver products on time is subject to various operational and external risks. Delays may arise due to internal challenges in supply chain management, production constraints, or unforeseen logistical disruptions. Additionally, factors beyond our control, such as natural disasters, labor strikes, civil unrest, government actions, pandemics, and lockdowns, may postpone or cancel product deliveries, affecting revenue realization and customer relationships.

Furthermore, cancellations or modifications in order scope and schedules may occur at the discretion of customers or due to unforeseen disruptions in our delivery process. As a result, it is difficult to predict with certainty when, if, or to what extent we can successfully fulfill orders and recognize revenue. Even when orders are executed as planned, there remains a risk that customers may default on payments or delay settlements, affecting our cash flow, financial stability, and working capital cycle.

Given these uncertainties, disruptions in order execution, delivery failures, or customer payment defaults may have an adverse impact on our business operations, financial performance, and overall liquidity position.

**17. *Any product defect issues or failure by our suppliers to comply with quality standards may lead to the cancellation of existing and future orders, recalls and exposure to potential product liability claims.***

Any failure by us or our suppliers to achieve or maintain compliance with general quality standards may disrupt our ability to supply products sufficient to meet demand until compliance is achieved or, until a new supplier has been identified and evaluated. There can be no assurance that if we need to engage new suppliers to satisfy our business requirement, we will be able identify new suppliers in a timely manner, or at all. Failure to do so could lead to the cancellation or delays in fulfilling our existing and future orders and have a material adverse effect on our business and revenue.

Our Suppliers has received various quality control certifications for its Manufacturing Facilities based on their geographies. In spite of availing such quality certifications, quality-control procedures may fail to test for all possible conditions of use or identify all defects in the product. Any defect in our Company's products could also result in customer claims for damages. Any negative publicity regarding our Company, or products could adversely affect our reputation, our operations and our results from operations. We have long standing relations with our suppliers and have not faced any difficulties in dealing with them or instances of failure on their behalf in the past. However, we cannot assure in future if our suppliers tie up with our competitors and fail to fulfil our demands which could cause adverse consequences.

**18. *Absence of a formal agreement with our suppliers may increase exposure to litigation risks, especially if contractual obligations, product warranties, or marketing rights are contested.***

We generally enter into formal arrangement/agreement with our supplier detailing the procurement terms. However, such agreement are for a certain period and requires renewal. For instance, as on the date, our agreement with Croma Pharma, a key supplier, is expired, and we are currently in the process of entering into an renewal agreement. As of now, no formal agreement is in place, yet we continue to purchase and market the "Saypha Filler" product. Without a signed contract in place, we may be subject to a risk that Croma Pharma may modify or discontinue supply terms, affecting product availability and disrupting our sales and distribution. Additionally, the absence of a formal agreement may increase exposure to litigation risks, especially if contractual obligations, product warranties, or marketing rights are

contested. Absence of formal agreement, may make us vulnerable to uncertainties regarding supply continuity, pricing stability, and legal compliance, which could impact our business operations, financial performance, and market reputation.

**19. *We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, any failure to obtain, retain and renew such approvals and licences or comply with such rules and regulations may adversely affect our operations.***

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which are either received or applied for or are yet to be applied. Many of these approvals are subject to periodical renewal. Any failure to renew the approvals that may expire, or to apply for the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. We believe that we have obtained all the material licenses required for running our business and operations. As on date of this Draft Red Herring Prospectus, we have applied for revisions of certain license of our Company post conversion from private limited to public limited company. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all. Further, we have made applications for Application for License to import Medical Devices under the Medical Devices Rules, 2017, Renewal Application for License to import Medical Devices under the Medical Devices Rules, 2017. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all.

While, we have not had any material instances of failure to obtain, maintain or renew approvals, licenses, and registrations required to conduct our businesses in the past three Financial Years, we cannot assure you that approvals, licenses and registrations will be successfully granted or renewed in a timely manner or at all in the future. We also cannot assure you that our approvals and consents will not be suspended or revoked in the future. Failure to obtain, maintain or renew the approvals, licenses and registrations required to operate our business could adversely affect our business, financial condition, cash flows and results of operations.

Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals which may result in the interruption of our operations and may have a material adverse effect on our business, financial condition, cash flows and results of operations.

**20. *In addition to our existing indebtedness for our existing operations, we may incur further indebtedness during the course of business. We cannot assure that we would be able to service our existing and/ or additional indebtedness.***

As on January 31, 2025 our Company's total outstanding loans (secured and unsecured) are ₹ 1,771.88 lakhs. In addition to the indebtedness for our existing operations, we may incur further indebtedness during the course of our business. We cannot assure you that we will be able to obtain further loans at favourable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, liquidated damages and can cause an adverse effect on our cash flows. Any failure to service our debt or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, see "**Financial Indebtedness**" on page 230.

21. ***Our Company, Promoters and Directors are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

Our Company, Promoters and Directors are party to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and legal forums. A summary of outstanding litigation proceedings involving our Company, Promoters and Directors as on the date of this Draft Red Herring Prospectus as disclosed in “***Outstanding Litigations and Material Developments***” on page 240, in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

( ₹ in lakhs)

Nature of Cases	Number of outstanding cases	Amount Involved *
<b><i>Litigation involving our Company</i></b>		
Criminal proceeding against our Company	Nil	Nil
Criminal proceedings by our Company	1	7.39
Material civil litigation against our Company	Nil	Nil
Material civil litigation by our Company	1	35.60
Actions by statutory or regulatory Authorities	Nil	Nil
Direct and indirect tax proceedings	1	26.38
<b><i>Litigation involving our Directors (other than Promoters)</i></b>		
Criminal proceedings against our Directors (other than Promoters)	1	Not Ascertainable
Criminal proceedings by our Directors (other than Promoters)	Nil	Nil
Material civil litigation against our Director (other than Promoters)	Nil	Nil
Material civil litigation by our Director (other than Promoters)	1	Not Ascertainable
Actions by statutory or regulatory authorities (other than Promoters)	Nil	Nil
Direct and indirect tax proceedings	1	4.09
<b><i>Litigation involving our Promoter</i></b>		
Criminal proceedings against our Promoter	Nil	Nil
Criminal proceedings by our Promoter	1	7.39
Material civil litigation against our Promoter	Nil	Nil
Material civil litigation by our Promoter	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	4	4.20

*\*To the extent quantifiable.*

There can be no assurance that litigations involving our Company, Promoters and Directors will be decided in favour of our Company, Promoters and Directors and consequently it may divert the attention of our management and Promoters and consume our corporate resources and we may incur significant expenses in such proceedings and we may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against our Company, Promoters and Directors, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares.

Furthermore, we may not be able to quantify all the claims in which we are involved. Failure to successfully defend these or other claims or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subjected to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure that similar proceedings will not be initiated in the future. This could adversely affect our business, cash flows, financial condition, and results of operation. For further details, pertaining to material pending outstanding litigations involving our Company, Promoters and Directors, see “***Outstanding Litigations and Material Developments***” on page 240.

**22. Our Company intends to utilise a portion of the Net Proceeds of the Issue towards the working capital requirements of our Company which are based on certain assumptions and estimates and has not been appraised by any bank or financial institution.**

The objects of the Issue include funding working capital requirements which are based on the management estimates and certain assumptions by our Company in relation to inter alia sales of the products by our Company, receivable days and the cost and holding periods of the inventories of the products of our Company. The funding requirements for funding working capital requirements of our Company have not been appraised by any bank or financial institution.

Our business is working capital intensive and accordingly, the net working capital requirements of our Company for the five months period ended August 31, 2024, Financial Year 2024, Financial Year 2023, and Financial Year 2022 was ₹ 2,991.54 lakhs, ₹ 2,692.76 lakhs, ₹ 1,500.11 lakhs, and ₹ 943.11 lakhs, and represents 140% (not annualized), 58.39%, 45.75%, and 48.45% of our revenue from operations, respectively. We propose to utilise upto ₹ 2,250 lakhs from the Net Proceeds to fund part of the working capital requirements of our Company. For details, see ‘*Objects of the Issue*’ on page 87.

The future working capital requirements and deployment of funds by our Company may be subject to change due to factors beyond the control of our Company including force majeure conditions, an increase in defaults by our customers, unanticipated expenses, economic conditions, availability of funding from banks or financial institutions. Accordingly, such working capital requirements and deployment of proceeds may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

**23. Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.**

Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations. Our business requires a significant amount of working capital. We need to fund cost of inventory in advance based on projected demand from the doctors as well as provide credit period to our customers. As per the “*Objects of the Issue*” chapter on page 87 our net working capital requirement was ₹ 943.1.1 Lakhs, ₹ 1,500.11 Lakhs, ₹ 2,692.76 Lakhs and ₹ 2,991.54 Lakhs during the Financial Year 2022, 2023, 2024 & Five-month period ending August 31 respectively. In view of the above, we propose to utilise a portion of the Net Proceeds of this Offer amounting to ₹ 2,2250.00 Lakhs towards funding our working capital requirements for the Financial Years 2026 & 2027. While we believe that utilization of Net Proceeds towards funding of working capital would enable effective utilization of funds for further investment in business growth and expansion, such funding will not result in the creation of any tangible assets for our Company. Given our growth and expansion strategies could result in an increase in the working capital requirements. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

**24. We are exposed to credit risk from our customers and the recoverability of our trade receivables is subject to uncertainties.**

We typically allow certain credit period to some of our customers and are therefore exposed to credit risk from such customers. The table below sets forth certain details of our trade receivables, and trade receivable turnover days for the year/period indicated:

Particulars	As at For five-month ended August 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Trade Receivables (₹ Lakhs)	1945.70	1,626.25	1,023.32	5,57.05
Trade Receivable Turnover Days	126	108	88	105

Particulars	As at For five- month ended August 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
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(number of days)\*

\* Holding period level (in days) of Trade Receivables is calculated by dividing average trade receivables for the current and previous period by revenue from operations multiplied by number of days in the year/period.

A customer's ability to make payments on timely basis depend on various factors such as the general economic and market conditions and the customer's cash flow position, which are out of our control. Delays in receiving payments from our customers may adversely affect our cash flow position and our ability to meet our working capital requirements. There is no assurance that our customers will pay us on a timely basis or at all, which may adversely affect the recoverability of our trade receivables, or that we will be able to efficiently manage the level of bad debt arising from delayed payments.

However, bringing action against our customers to enforce their contractual obligations is often difficult and there can be no assurance that if we initiate any legal proceedings against any such entities, we will receive a judgment in our favour or on a timely basis. A failure by any of our customers to meet its contractual commitments, or an insolvency or liquidation of any of our customers, could have an adverse effect on our financial condition and results of operations.

25. ***We have in the past entered into a number of related party transactions and may continue to enter into related party transactions in the future on an arm's length basis, and there can be no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties.***

In the ordinary course of our business, we have entered into transactions with related parties during five months period ended August 31, 2024, Financial Year 2024, 2023 and 2022 and from time to time, we may enter into related party transactions in the future. While all such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions and all related party transactions that we may enter into post-listing, will be subject to Board or Shareholders' approval, as necessary under the Companies Act, the SEBI Listing Regulations and other application laws. Further, it is likely that we may enter into additional related party transactions in the future. Such future related party transactions may potentially involve conflicts of interest.

For further information on our related party transactions, see "***Summary of the Issue Document – Summary of related party transactions***" and "***Related party transactions***" on pages 24 and 215 respectively.

26. ***The information in the Industry Section is derived from publically available information and we have commissioned and paid for an industry report for the disclosures made in the chapter titled "Industry Overview" and made disclosures on the basis of the data provided in the same and such data has not been independently verified by us.***

The information in the Industry Section is derived publically available information and publications, and the report titled "'Industry Report On Medical Aesthetics & Cosmetic Dermatology Industry" dated 22nd July 2024 commissioned and paid by us from Ken Research Private Limited. We have used certain extracts from the said report in the Industry section. Neither we nor any other person connected with this Issue has independently verified the information provided in the Industry Section. Industry sources and publications, referred to in the Industry Section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information. The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Further, the industry data mentioned in this Draft Red Herring Prospectus or sources from which the data has been collected are not

recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context.

**27. *We have availed unsecured loans which are repayable on demand. Any demand for repayment of such unsecured loans, may adversely affect our cash flows.***

As on January 31, 2025, we have unsecured loans amounting to ₹ 254.6 lakhs availed from our Promoter and Promoter Group, which are repayable on demand to the relevant lender. Further, these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, see “*Restated Financial Statements*” and “*Financial Indebtness*” on page 189 and page .

**28. *Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds.***

The funding requirement and deployment of the Net Proceeds mentioned as a part of the Objects of the Issue are based on current circumstances of our business, prevailing market conditions estimates, and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below. The estimates for the proposed expenditure are based on several variables, a significant variation in any one or a combination of which could have an adverse effect. Furthermore, the deployment of funds has not been appraised by any bank or financial institution.

We operate in a highly competitive and dynamic industry and we may have to revise our funding requirements and deployment from time to time on account of various factors beyond our control, such as availability of material, customer confidence, inflation, employment levels, demographic trends, technological changes, changing customer preferences, increasing regulations or changes in government policies, our Board’s analysis of economic trends and business requirements, competitive landscape, as well as general factors affecting our business, results of operations, financial condition and access to capital such as credit availability and interest rate levels.

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. Furthermore, pending utilization of Net Proceeds towards the Objects of the Issue, our Company will have the flexibility to deploy the Net Proceeds and to deposit the Net Proceeds temporarily in deposits with one or more scheduled commercial banks included in Second Schedule of Reserve Bank of India Act, 1939, as may be approved by our Board or IPO Committee. Accordingly, prospective investors in the Issue will need to rely upon our management’s judgment with respect to the use of Net Proceeds and there can be no assurance that we will earn significant interest income on, or that we will not suffer unanticipated diminution in the value of, such temporary deposits. Furthermore, various risks and uncertainties, such as economic trends and business requirements, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital and including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business.

**29. *There may have been certain instances of non-compliances with respect to certain corporate actions taken by our Company in the past. Consequently, we may be subject to regulatory actions and penalties.***

There were certain instances of secretarial non-compliances in our Company, such; (i) the board meeting dates were inadvertently failed to capture in the for MGT-7; However, our Company has suo moto filed separate adjudication applications before the Registrar of Companies for adjudicating the penalties for the aforesaid non-compliances under the Companies Act, 2013 and the same are pending as on date. While we have not been subject to any penalties by regulatory authorities, there can be no assurance that

we would not be subject to such penalties or fines in the future. Further, there can be no assurance that there will be no delays or non-compliances with the filing of certain documents in the future.

30. ***Our management will have broad discretion in how we apply the Net Proceeds, including interim use of the Net Proceeds, and there is no assurance that the objects of the Issue will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.***

We intend to use Net Proceeds from the Issue towards (a) to meet working capital requirements; and (b) general corporate purposes. For details of the objects of the Issue, see “***Objects of the Issue***” on page 87. Our management will have broad discretion to use the Net Proceeds, and investors will be relying on the judgment of our management regarding the application of the Net Proceeds. Moreover, we cannot undertake any material deviation in the utilisation of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. Our Company may have to revise its management estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in its business. Further, the application of the Net Proceeds in our business may not lead to an increase in the value of your investment. Various risks and uncertainties, including those set forth in this section “***Risk Factors***”, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business.

31. ***Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval.***

We intend to use Net Proceeds from the Issue towards (a) to meet working capital requirements; and (b) general corporate purposes. For further details of the proposed objects of the Issue, see “***Objects of the Issue***” on page 87. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 13 (8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the shareholders’ approval by way of a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders’ approval may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to the Shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

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

After completion of the Issue, our Promoters and Promoter Group will collectively own a majority of the Equity Shares of our Company. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

**33. *The issuer company does not have any comparable Indian listed peers & the peers which have been disclosed in the draft red herring prospectus may have a different business model as compared to our company.***

The issuer company does not have any comparable Indian listed peers, making it challenging to benchmark its performance, valuation, and business model against publicly traded companies in India. While certain private companies who are peers of our Company have been disclosed in the draft red herring prospectus, their business models may differ significantly from ours, leading to limitations in direct comparisons for investors and stakeholders.

The absence of directly comparable listed companies may affect market perception, investor confidence, and pricing expectations, as potential investors may rely on international benchmarks or companies with different operational structures. Differences in business models, revenue streams, or geographic focus may lead to challenges in accurately assessing industry position, growth potential, and financial metrics.

As a result, investors may find it difficult to evaluate our company's competitive positioning, which could impact market valuation, demand for shares, and overall investor interest.

**34. *There are certain instances of delays in payment of statutory dues. Any delay in payment of statutory dues or non-payment of statutory dues in dispute may attract financial penalties from the respective.***

There have been certain instances on delay in payment of statutory dues during five-month ended August 31, 2024, and in last three Financial Years, which inter-alia include, goods and services tax and income-tax which as on the date of this Draft Red Herring Prospectus has been deposited with relevant authorities. For instance, please see below instances of delay/ irregularity in payment of, GST and TDS for the periods indicated:

Governing Tax law	Number of cases			
	For the period ended August 31, 2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
Income Tax Act, 1961 (TDS Payments)	1	7	5	0
Employees Provident Fund and Miscellaneous Provisions Act, 1952	0	3	1	1

For the Financial Year Ended	Return Type	Total number of returns filed	Delayed filings
Five months period ended August 31, 2024	GSTR-1	10	-
Financial Year2024	GSTR-1	22	-
Financial Year2023	GSTR-1	12	5
Financial Year2022	GSTR-1	12	-
Five months period ended August 31, 2024	GSTR-3B	10	1
Financial Year2024	GSTR-3B	22	-
Financial Year2023	GSTR-3B	12	2
Financial Year2022	GSTR-3B	12	2
Five months period ended August 31, 2024	TDS-24Q	1	1
Financial Year2024	TDS-24Q	4	1
Financial Year2023	TDS-24Q	4	-
Financial Year2022	TDS-24Q	4	-
Five months period ended August 31, 2024	TDS-26Q	1	1
Financial Year2024	TDS-26Q	4	1
Financial Year2023	TDS-26Q	4	1
Financial Year2022	TDS-26Q	4	-

**35. *We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights.***

As on date, we have registered various trademark in our name. Any failure to renew registration of our registered trademark or intellectual property may affect our right to use such trademark in future. Further, our efforts to protect our intellectual property in India and abroad may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered brand name in India and abroad which has been registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad.

Some of our application for registration of trademark is objected and some are advertised as on date. There can be no assurance that we will be able to successfully obtain or renew our registration in a timely manner or at all, which may affect our ability to use the brand in the future. We may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such time that this registration is granted. Pending the registration of the trademark, any third party may use the above-mentioned trademark and we may have a lesser recourse to initiate legal proceedings to protect our intellectual property. Further, our application for the registration of trademark may be opposed by third parties, and we may have to incur significant cost in relation to these oppositions. In the event we are not able to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of any of our trademarks for which we have applied for registration, we may not be able to use such trademarks and / or avail the legal protection or prevent unauthorized use of such trademarks by third parties, which may adversely affect our goodwill and business.

Further, if do not maintain our brand name and identity, which we believe is one of the factors that differentiates us from our competitors, we may not be able to maintain our competitive edge. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our tradename is subject to risks, including general litigation risks. Furthermore, we cannot assure you that such tradename will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source. Any damage to our tradename, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position.

For further details, see “*Our Business- Intellectual Property*” beginning on page 152.

36. ***Our Promoter & Promoter Group have extended personal guarantees and personal properties as collateral security with respect to various loan facilities availed by our Company. Revocation of any or all of these personal guarantees may adversely affect our business operations and financial condition.***

Our Promoters & Promoter Group, Dilip Meswani, Bindi Dilip Meswani and Abhash Meswani have provided personal guarantees for the cash credit facility availed by the Company. Further, the immovable properties charged with the bank for the working capital loan availed by the Company, are owned by Dilip Meswani, Bindi Dilip Meswani and Abhash Meswani. In the event any of these guarantees are revoked or if the personal property charged with the Bank is withdrawn, the Bank may require us to furnish alternate guarantees or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative securities in a timely manner or at all. If the guarantees are invoked or if the repayment of loan is accelerated or the Bank enforces any of the restrictive covenants or exercise their options under the relevant debt financing arrangement the ability of our Company to continue its business operations could be adversely affected, carrying our operations and use of assets may be hampered significantly and the Bank may demand the repayment of the entire outstanding amount and this in turn may also affect our further borrowing abilities. For further details, see “***Financial Indebtedness***” on page 230.

37. ***Our Promoter and Promoter Group member is interested in our Company in the form of rental income from leasing of registered office at Andheri.***

In addition to our Promoters shareholding, dividend, etc, our Promoter Bindi Meswani and Promoter group member Abhash Dilip Meswani are interested in our Company to the extent of ₹ 24,00,000/- in the form of annual rental amount received from Office No.801 for a period of 5 years from June 1, 2024 to May,31 2029 and ₹ 12,00,000/- in the form of annual rental amount received from Office No. 802, Heritage Plaza, Teli Galli Cross Rd. Andheri (E) Mumbai – 400069 for a period of 5 years from October 16, 2024 to October 15, 2029. All such transactions have been conducted on an arm’s length basis, in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions. All related party transactions that we may enter into post-listing, will be subject to an approval by our Audit Committee, Board, or Shareholders, as required under the Companies Act and the SEBI Listing Regulations. Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. For further information on the interest of our Promoters, see “***Our Promoters and Promoter Group - Interest of our Promoters***” on page 183, “***Summary of Issue Document – Summary of Related Party Transactions***” on page 24 and “***Financial Information***” on page 189.

38. ***Our Registered Office and godowns/ warehouses are not owned by the Company, In the event we lose such rights, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.***

The godowns and registered offices being used by the Company are not owned by us but are leased. The tenure of these lease agreements is subject to renewal after the agreed period, and there is no guarantee that such renewals will occur on favorable terms or without disruptions. If we are required to vacate any of these leased premises, whether due to lease expirations, non-renewals, disputes, or external factors, we would need to secure alternative locations and set up necessary infrastructure, which could lead to operational disruptions and additional expenses. Any delays in relocation, unavailability of suitable properties, or increased rental costs may affect our business continuity, profitability, and financial condition.

Furthermore, shifting operations to a new location may involve logistical challenges, regulatory

approvals, and transitional inefficiencies, impacting supply chain management, warehouse storage, and administrative functions. Any such disruptions could adversely impact our business operations, growth prospects, and overall financial performance.

**39. *The average cost of acquisition of Equity Shares by our Promoter could be lower than the Issue Price.***

Our Promoter's average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price. For further details regarding average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares by our Promoter in our Company, please refer to the chapters "*Capital Structure*" beginning on page 75.

**40. *Our Company has during the preceding one year from the date of the Draft Red Herring Prospectus have allotted Equity Shares at a price which is lower than the Issue Price.***

In the past, we have made allotments of Equity Shares through bonus issue of shares to the shareholders, which are given without any consideration to the shareholders and have further made preferential allotment and granted ESOP which may be at lower price than the Issue Price. We cannot assure you that any issuance of Equity Shares made by our Company post completion of this Issue will be above the Issue Price or the prevailing market price of our Equity Shares. For further details see "*Capital Structure*" on page 75.

**41. *The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.***

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹10,000.00 Lakhs. Since the size of the Issue does not exceed one hundred crore rupees, we are not required to appoint monitoring agency. Therefore, our Company will not appoint any monitoring agency for this Issue.

However, pursuant to Regulation 32(3) of the SEBI LODR Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Financial Year, we will utilize such unutilized amount in the next Financial year.

Further, in accordance with Regulation 32(1)(a) of the SEBI LODR Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Red Herring Prospectus.

**42. *Our insurance policies may not be adequate to cover all losses incurred in our business. An inability to maintain adequate insurance cover to protect us from material adverse incidents in connection with our business may adversely affect our operations and profitability.***

We have obtained a number of insurance policies in connection with our operations and including property insurance, product insurance, marine insurance and employee insurance. While we are of the opinion that the insurance coverage which our Company maintains for its business would be reasonably adequate to cover the normal risks associated with our business, we may not have identified every risk and further may not be insured against every risk because such risks are either uninsurable or not insurable on commercially acceptable terms, including operational risk that may occur and the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events or risks not covered by insurance policies such as COVID-19 and other pandemics, or due to the same being inadequate, could materially harm our cash flows, financial condition and future results

of operations. We cannot provide any assurance that our insurance will be sufficient or effective under all circumstances and against all hazards or liabilities to which we may be subject. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all.

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

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

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

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws or other local anti-corruption laws. While our code of conduct requires our employees and intermediaries to comply with all applicable laws, and we continue to enhance our policies and procedures in an effort to ensure compliance with applicable anti-corruption laws and regulations, these measures may not prevent the breach of such anti-corruption laws, as there are risks of such breaches in emerging markets. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition, results of operations and liquidity. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation. As we continue to grow, there can be no assurance that there will be no other instances of such inadvertent non-compliances with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

**44. *None of the Directors of the Company have experience of being a director of a public listed company.***

The Directors of the Company do not have the experience of having held directorship of public listed company. Accordingly, they have limited exposure to management of affairs of the listed company which inter-alia entails several compliance requirements and scrutiny of affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, the Company will require to adhere strict standards pertaining to accounting, corporate governance and reporting that it did not require as an unlisted company. The Company will also be subject to the SEBI Listing Regulations, which will require it to file audited annual and unaudited half yearly reports with respect to its business and financial condition. If the Company experiences any delays, we may fail to satisfy its reporting obligations and/or it may not be able to readily determine and accordingly report any changes in its results of operations as promptly as other listed companies.

Further, as a publicly listed company, the Company will need to maintain and improve the effectiveness

of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of the Company's disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, the Board of Directors of the Company may have to provide increased attention to such procedures and their attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

45. ***Our future funds requirements, in the form of issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

46. ***Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "***Dividend Policy***" on page 188.

47. ***We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

48. ***Any future issuance of Equity Shares, or convertible securities or other equity linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. Any sale of our Equity Shares by our Promoters or major shareholders or future equity issuances, by us may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences including difficulty in

raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

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

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

**50. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/ Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within 3 (three) Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

**52. *We may be affected by competition law, the adverse application or interpretation of which could adversely affect our business.***

The Competition Act, 2002 ("**Competition Act**") seeks to prevent business practices that have an Appreciable Adverse Effect on Competition ("**AAEC**") in the relevant market in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an AAEC in India is void and attracts substantial monetary penalties. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require that the acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the

prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by CCI. However, the applicability or impact of the provisions of the Competition Act on any future acquisition or arrangement entered into by us cannot be predicted with certainty at this stage.

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

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

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

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book-building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

55. ***The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the Issue Price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The Issue Price of our Equity Shares will be determined by the book-building method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. For details, see “***Basis for Issue Price***” on page 98. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;

- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

**EXTERNAL RISK FACTORS:**

**56. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.***

The regulatory and policy environment in India is evolving and subject to change. Such changes in applicable law and policy in India, including the instances described below, may adversely affect our business, financial condition, results of operations, performance and prospects in India, to the extent that we are not able to suitably respond to and comply with such changes.

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

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

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

Under the Companies Act, 2013, a company having share capital and incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of our Equity Shares voting on such resolution.

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

**58. *Investors may not be able to enforce judgements obtained in foreign courts against us.***

We are a public limited company under the laws of India. All of our directors and officers are Indian nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgements against them obtained from courts outside India, including judgements predicated on the civil liability provisions of the United States federal securities laws.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, United Arab Emirates, Singapore

and Hong Kong. In order to be enforceable, a judgement from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the “Civil Code”). The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgements or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgement for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgement in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgement is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgement. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgement rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the Reserve Bank of India to repatriate any amount recovered pursuant to the execution of the judgement.

59. ***We are a public limited company under the laws of India. All of our directors and officers are Indian nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgements against them obtained from courts outside India, including judgements predicated on the civil liability provisions of the United States federal securities laws Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

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

60. ***We are subject to regulatory, economic and social and political uncertainties and other factors beyond our control.***

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are proposed to be listed on the Emerge platform of NSE, subject to the receipt of the final listing and trading approvals from the NSE. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- political instability, terrorism, military conflict, epidemic or public health issues in India or in countries in the region or globally, including in India’s various neighbouring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;

- Instability in financial markets and volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India's sovereign debt rating by rating agencies;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis;
- changes in India's tax, trade, Financial Year or monetary policies; and
- other significant regulatory or economic developments in or affecting India or its logistics sector.

Moreover, a fall in the purchasing power of our customers, for any reason whatsoever, including rising consumer inflation, availability of financing to our customers, changing governmental policies and a slowdown in economic growth may have an adverse effect on our customers' revenues, savings and could in turn negatively affect their demand for our products. In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

**61. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation rates in India have been volatile in recent years, and such volatility may continue. India has experienced high inflation relative to developed countries in the recent past. Continued high rates of inflation may increase our expenses related to costs of raw material, rent, salaries or wages payable to our employees or any other expenses. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

**62. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**63. *Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

**64. *Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian

economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**65. *The occurrence of natural or man-made disasters may adversely affect our business, financial condition, results of operations and cash flows.***

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19 and man-made disasters, including acts of war such as Russia's invasion of Ukraine, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations.

Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. A worsening of the current outbreak of COVID-19 pandemic or future outbreaks of COVID-19 or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

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

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

## SECTION III - INTRODUCTION

### THE ISSUE

The following table summarizes the Issue details:

#### PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS

Issue of Equity Shares by our Company <sup>(1)(2)</sup>	Up to 37,50,400* Equity Shares of face value of ₹10 each fully paid up of our company at a price of ₹ [●] per Equity share aggregating to ₹ [●] Lakhs.
---------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------

#### *The Issue consists of:*

Market Maker Reservation Portion	Up to [●] Equity Shares of face value of ₹ 10 each fully paid up of our company at a price of ₹ [●] per Equity share aggregating to ₹ [●] Lakhs.
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Net Issue to the Public <sup>(3)</sup>	Up to [●] Equity Shares of face value of ₹ 10 each fully paid up of our company at a price of ₹ [●] per Equity share aggregating to ₹ [●] Lakhs.
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#### *Out of which\**

A. QIB Portion <sup>(4) (5)</sup>	Not more than [●] Equity Shares aggregating up to ₹ [●] Lakhs
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#### *Of which*

i. Anchor Investor Portion	Up to [●] Equity Shares aggregating up to ₹ [●] Lakhs
ii. Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares aggregating up to ₹ [●] Lakhs

#### *Of which*

a) Available for allocation to Mutual Funds (5% of the Net QIB Portion)	Up to [●] Equity Shares aggregating up to ₹ [●] Lakhs
b) Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares aggregating up to ₹ [●] Lakhs

B. Non-Institutional Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs
------------------------------	---------------------------------------------------------------

C. Retail Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs
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#### Pre and Post – Issue Equity Shares

Equity Shares outstanding prior to the Issue	1,04,22,416 Equity Shares of face value of ₹10 each
----------------------------------------------	-----------------------------------------------------

Equity Shares outstanding after the Issue	Up to [●] Equity Shares of face value ₹10 each
-------------------------------------------	------------------------------------------------

Use of Net Proceeds by our Company	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 87.
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\* Subject to finalization of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of issue price.

#### **Notes:**

1. The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
2. The present Issue has been authorized pursuant to a resolution by our Board of Directors at its meeting held on January 06, 2025 and by the Shareholders of our company, vide a special resolution passed pursuant to Section 62 (1) I of the Companies Act, 2013 at their Extra ordinary general meeting held on January 07, 2025.
3. The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.
4. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any

- category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
5. Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.
  6. In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
  7. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 5 lakhs, shall use UPI. Individual investors bidding under the Non- Institutional Portion bidding for more than ₹ 2 lakhs and up to ₹ 5 lakhs, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For details, including grounds for rejection of Bids, refer to “**Issue Structure**” and “**Issue Procedure**” beginning on pages 270 and 274, respectively. For details of the terms of the Issue, see “**Terms of the Issue**” on page 262.

## SUMMARY OF FINANCIAL STATEMENTS

*The following tables provide the summary of financial information of our Company derived from the Restated Financial Information as at and for the five-month period ended August 31, 2024 and Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022. The Restated Financial Information referred to above is presented under the section titled “**Financial Information**” beginning on page 189 of this Draft Red Herring Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled “**Financial Information**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” beginning on pages 189 and 231, respectively.*

*[Remainder of the page has been intentionally left blank]*

**RESTATED STATEMENT OF ASSET & LIABILITIES**

(Amount in ₹ Lakhs)

Particulars	Note No	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
<b>Shareholders' funds</b>					
(a) Share capital	3	968.09	70.00	70.00	70.00
(b) Reserves and surplus	4	271.58	1,184.16	896.07	732.72
		<b>1,239.66</b>	<b>1,254.16</b>	<b>966.07</b>	<b>802.72</b>
<b>Share application money pending allotment</b>		170.00	-	-	-
		<b>170.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
(a) Long-term provisions	5	85.73	83.03	66.23	52.07
		<b>85.73</b>	<b>83.03</b>	<b>66.23</b>	<b>52.07</b>
<b>Current liabilities</b>					
(a) Short-term borrowings	6	1,876.45	1,505.66	587.43	381.93
(b) Trade payables	7				
Total outstanding dues of micro enterprises and small enterprises; and		15.24	37.61	34.75	41.79
Total outstanding dues of creditors other than micro enterprises and small enterprises		181.48	144.08	218.23	119.87
(c) Other current liabilities	8	338.80	292.56	416.72	372.99
(d) Short-term provisions	9	120.77	83.80	33.44	28.59
		<b>2,532.74</b>	<b>2,063.72</b>	<b>1,290.57</b>	<b>945.18</b>
<b>Total</b>		<b>4,028.13</b>	<b>3,400.90</b>	<b>2,322.87</b>	<b>1,799.97</b>
<b>ASSETS</b>					
<b>Non-current assets</b>					
(a) Property, Plant and Equipment and Intangible assets	10				
i. Property, Plant and Equipments		28.40	27.13	35.52	20.23
ii. Intangible assets		0.93	0.71	0.69	-
(b) Deferred tax assets (Net)	11	37.01	35.42	26.11	19.69
(c) Long term loans and advances	12	84.39	13.61	-	-
(d) Other non-current	13	54.66	43.23	38.38	26.87

<b>Particulars</b>	<b>Note No</b>	<b>As at Aug 31, 2024</b>	<b>As at Mar 31, 2024</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
assets		<b>205.39</b>	<b>120.11</b>	<b>100.71</b>	<b>66.79</b>
<b>Current assets</b>					
(a) Inventories	<b>14</b>	1,505.73	1,417.94	1,125.33	699.80
(b) Trade receivables	<b>15</b>	1,945.70	1,626.25	1,023.32	557.05
(c) Cash and bank balance	<b>16</b>	174.91	29.98	18.91	226.68
(d) Other current assets	<b>17</b>	196.40	206.62	54.60	249.65
		<b>3,822.74</b>	<b>3,280.80</b>	<b>2,222.16</b>	<b>1,733.18</b>
<b>Total</b>		<b>4,028.13</b>	<b>3,400.90</b>	<b>2,322.87</b>	<b>1,799.97</b>

## RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS

*(Amount in lakhs except EPS)*

Particulars	Note No.	For the Period ended Aug 31, 2024	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
<b>I</b> <u>Revenue from operations</u>	<b>18</b>	2,133.65	4,611.10	3,278.46	1,946.54
<b>II</b> <u>Other income</u>	<b>19</b>	4.57	15.94	9.39	4.33
<b>III</b> <b>Total income (I + II)</b>		<b>2,138.22</b>	<b>4,627.04</b>	<b>3,287.85</b>	<b>1,950.87</b>
<b>IV</b> <b>Expenses:</b>					
Cost of material consumed	<b>20</b>	147.54	186.88	-	-
Purchases of Stock-in-Trade	<b>21</b>	944.49	2,199.59	1,926.31	977.53
Changes in inventories of Stock-in-Trade and finished goods	<b>22</b>	(87.79)	(292.62)	(425.52)	(71.14)
<u>Employee benefit expense</u>	<b>23</b>	543.25	1,036.01	772.82	478.93
<u>Finance costs</u>	<b>24</b>	66.13	113.76	43.06	21.35
Depreciation and amortisation expenses	<b>10</b>	4.78	13.54	8.94	2.18
<u>Other expenses</u>	<b>25</b>	574.81	981.35	651.99	321.67
<b>Total expenses</b>		<b>2,193.21</b>	<b>4,238.51</b>	<b>2,977.59</b>	<b>1,730.51</b>
<b>V</b> <b>Profit before tax (III-IV)</b>		<b>(54.98)</b>	<b>388.53</b>	<b>310.25</b>	<b>220.36</b>
<b>VI</b> <b>Tax expense:</b>					
Current tax expense for the year/ period		(11.78)	110.82	101.35	67.43
Deferred tax expenses		(1.59)	(9.31)	(6.42)	(8.93)
		<b>(13.37)</b>	<b>101.51</b>	<b>94.93</b>	<b>58.51</b>
<b>VII</b> <b>Profit/ (Loss) for the year/ period (V-VI)</b>		<b>(41.61)</b>	<b>287.02</b>	<b>215.32</b>	<b>161.85</b>
<b>VIII</b> <b>Earnings per equity share:</b>					
Basic		(0.45)	3.15	2.37	1.78
Diluted		(0.45)	3.14	2.36	1.78

## RESTATED STATEMENT OF CASH FLOWS

(Amount in Lakhs)

Particulars	For the period ended Aug 31, 2024	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before tax	(54.98)	388.53	310.25	220.36
<b>Adjustments for:</b>				
Depreciation and amortisation	4.78	13.54	8.94	2.18
Interest income	(0.24)	(1.61)	(1.22)	(1.61)
Balance written back	-	(7.70)	(7.55)	-
Share based payment expenses	1.60	1.06	0.53	-
Sundry balances written off	-	7.69	36.93	-
Fixed assets written off	-	-	1.43	-
Foreign exchange gain/ loss	(3.86)	(6.02)	8.00	(1.98)
Finance costs	64.67	99.13	36.11	18.40
<b>Operating profit / (loss) before working capital changes</b>	<b>11.96</b>	<b>494.63</b>	<b>393.42</b>	<b>237.33</b>
<b>Changes in Operating Assets:</b>				
<b>Adjustments for (increase) / decrease in operating assets:</b>				
(Increase)/ Decreases in trade receivables	(319.45)	(610.61)	(503.21)	42.52
(Increase)/ Decreases in inventories	(87.79)	(292.62)	(425.52)	(71.14)
(Increase)/ Decreases in other assets	(0.30)	(156.81)	190.31	(121.65)
(Increase)/ Decrease in loans & advances	(14.00)	-	-	-
Increase/ (Decrease) in trade payables	18.89	(57.57)	90.88	(63.96)
Increase/ (Decrease) in provisions	39.67	68.75	21.41	34.24
Increase/ (Decrease) in other current liabilities	46.24	(124.16)	43.72	54.74
Cash generated from operations	<b>(304.79)</b>	<b>(678.39)</b>	<b>(188.99)</b>	<b>112.09</b>
Net income tax (paid) / refunds received	(45.00)	(126.02)	(103.76)	(63.69)
<b>Net cash flow used in operating activities (A)</b>	<b>(349.79)</b>	<b>(804.40)</b>	<b>(292.75)</b>	<b>48.40</b>
<b>B. Cash flow from investing activities</b>				
Purchase of fixed asset	(6.27)	(5.17)	(26.35)	(18.80)
Interest received	0.20	2.18	0.44	1.47
Term deposits	(0.53)	(0.85)	(6.12)	(5.40)
<b>Net cash flow used in investing activities (B)</b>	<b>(6.60)</b>	<b>(3.83)</b>	<b>(32.03)</b>	<b>(22.73)</b>
<b>C. Cash flow from financing activities</b>				
Net Increase / (Decrease) of borrowings	370.79	918.23	205.50	(6.51)
Issue of shares	51.06	-	-	-
Share issue expenses	(25.54)	-	-	-

Particulars	For the period ended Aug 31, 2024	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Share application money received	170.00	-	-	-
Dividend paid	-	-	(52.50)	(56.00)
Finance cost	(64.67)	(99.13)	(36.11)	(18.40)
<b>Net cash flow generated from financing activities (C)</b>	<b>501.64</b>	<b>819.10</b>	<b>116.89</b>	<b>(80.91)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>145.26</b>	<b>10.87</b>	<b>(207.89)</b>	<b>(55.23)</b>
Cash and cash equivalents at the beginning of the year / period	29.65	18.79	226.68	281.91
Cash and cash equivalents at the end of the year / period	<b>174.91</b>	<b>29.65</b>	<b>18.79</b>	<b>226.68</b>
<b>Components of cash and cash equivalents</b>				
Balance with banks and cash on hand	174.91	29.65	18.79	226.68
	<b>174.91</b>	<b>29.65</b>	<b>18.79</b>	<b>226.68</b>

## GENERAL INFORMATION

### Registered Office of our Company

801, Heritage Plaza,  
Teli Galli Cross Road, Andheri (East),  
Mumbai City, Mumbai, Maharashtra, India, 400069  
**Telephone:** +91 84528 44024  
**Website:** [www.aakaarmedical.in](http://www.aakaarmedical.in)

For details of change in our Registered office, see “*History and Certain Corporate Matters*” on page 155.

### Corporate identity number and registration number

**Corporate Identity Number:** U74900MH2013PLC244717  
**Registration Number:** 224717

### Registrar of Companies

Our Company is registered with the Registrar of Companies, Mumbai situated at the following address:

Registrar of Companies,  
100, Everest, Marine Drive,  
Mumbai – 400 002,  
Maharashtra, India.  
Email: [roc.mumbai@mca.gov.in](mailto:roc.mumbai@mca.gov.in)

### Board of Directors of our Company

The following table sets out the details of our Board as on the date of this Draft Red Herring Prospectus:

Name And Designation	DIN	Address
Dilip Ramesh Meswani <i>Designation: Managing Director</i>	06540985	601, Tulsi Building, G B Indulkar Road, Opp Vateshwar Hanuman Temple, Vile Parle East, Mumbai – 400057, Maharashtra, India.
Rahul Babasaheb Sawakhande <i>Designation: CEO and Executive Director</i>	08282783	Flat No 102 Ashapura Niwas Plot No 12-13, Near Sun Darshan Society Sector 10A Nerul, Navi Mumbai 400706 Thane Maharashtra, India.
Bindi Dilip Meswani <i>Designation: Chairperson cum Non-Executive Director</i>	06594958	601, Tulsi Building, G B Indulkar Road, Opp Vateshwar Hanuman Temple, Vile Parle East, Mumbai – 400057, Maharashtra, India.
Deepanjan Periwal <i>Designation: Independent Director</i>	06957006	A-204, Abrol Vastu Park, Link Road, Near Ryan International School, Evershine Nagar, Malad West, Mumbai-400064, Maharashtra, India.
Rajendra Indubhai Dhandhukia <i>Designation: Independent Director</i>	05157147	B-2003, Sienna, Lodha Fiorenza, Western Express Highway, Goregaon (east), Next to Hub Mall, Mumbai-400063 Maharashtra, India.

For further details of our Board of Directors, see “*Our Management*” beginning on page 166.

### Company Secretary and Compliance Officer

**Anoopkumar Vishwanathan Pillai**  
801, Heritage Plaza,  
Teli Galli Cross Road,  
Andheri (East), Mumbai - 400069,  
Maharashtra, India.  
**Telephone:** +91 84528 44024

E-mail id: [companysecretary@aakaarmedical.in](mailto:companysecretary@aakaarmedical.in)

### **Investor Grievances**

**Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Manager or the Registrar to the Issue in case of any pre- Issue or post- Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.**

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

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

### **Book Running Lead Manager to the Issue**

#### **Indorient Financial Services Limited**

B/805, Rustomjee Central Park,  
Andheri Kurla Road, Chakala,  
Mumbai – 400093,  
Maharashtra, India

**Telephone:** +91 9819934811

**Email:** [compliance-ifsl@indorient.in](mailto:compliance-ifsl@indorient.in)

**Website:** [www.indorient.in](http://www.indorient.in)

**Investor Grievance Id:** [wecare@indorient.in](mailto:wecare@indorient.in)

**Contact Person:** Vinit Shah

**SEBI Registration No.:** INM000012661

Indorient Financial Services Limited is the sole Book Running Lead Manager to the Issue, and accordingly all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them.

### **Syndicate Member**

The Syndicate Member shall be appointed prior to the filing of the Red Herring Prospectus with the Registrar of Companies.

## **Legal Counsel to the Company as to Indian Law**

### **Vidhigya Associates, Advocates**

105, First Floor,

A wing, Kanara Business Centre,

Ghatkopar East, Mumbai-- 400075.

**Telephone:** +91 84240 30160

**Email:** rahul@vidhigyaassociates.com

**Contact Person:** Rahul Pandey

## **Registrar to the Issue**

### **Bigshare Services Private Limited**

Office No. S6-2, 6th Floor,

Pinnacle Business Park, Next to Ahura Center,

Mahakali Caves Road, Andheri East,

Mumbai-400093

**Telephone:** +91 22 62638200

**Contact Person:** Vinayak Morbale

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**E-mail:** ipo@bigshareonline.com

**SEBI Registration No.:** INR000001385

**Investor Grievance E-mail:** investor@bigshareonline.com

## **Bankers to the Issue / Refund Bank / Sponsor Bank**

The Bankers to the Issue / Refund Bank / Sponsor Bank will be appointed prior to filing of the Red Herring Prospectus with the RoC.

## **Bankers to the Company**

### **ICICI Bank Limited**

**Address:** ICICI Bank Tower,

Near Chakli Circle,

Old Padra Road,

Vadodra - 390007,

Gujarat, India

**Telephone:** +91 265339923

**E-mail:** companysecretary@icicibank.com

**Contact Person:** Somya Khatri

### **HDFC Bank Limited**

**Address:** Shop No. 8, Bhagat Grandeur,

Link Road, Malad West,

Mumbai – 400064

**Telephone:** +91 90220 40999

**Email:** ajit.pawar@hdfcbank.com

**Contact Person:** Ajit Pawar

## **Escrow Collection Bank(s), Public Issue Account Bank, Refund Bank and Sponsor Bank**

The Escrow Collection Bank, Public Issue Account Bank Refund Bank/ Sponsor Bank shall be appointed prior to filing of the Red Herring Prospectus with the Registrar of Companies, Mumbai.

## **Designated Intermediaries**

### **Self-Certified Syndicate Banks**

The list of SCSBs is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> on the website of SEBI, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which a Bidder (other than an Anchor Investor), not bidding through Syndicate/Sub Syndicate or 87 through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

### **Self-Certified Syndicate Banks enabled for UPI Mechanism**

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

### **Syndicate SCSB Branches**

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

### **Registered Brokers**

Bidders can submit ASBA Forms in the Issue using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

### **Registrar and Share Transfer Agents**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at [www.bseindia.com/Static/Markets/PublicIssues/Rtadp.aspx?](http://www.bseindia.com/Static/Markets/PublicIssues/Rtadp.aspx?) and [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm) respectively, as updated from time to time.

### **Collecting Depository Participants**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at [www.bseindia.com/Static/Markets/PublicIssues/Rtadp.aspx?](http://www.bseindia.com/Static/Markets/PublicIssues/Rtadp.aspx?) and [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, as updated from time to time.

## Statutory Auditor to our Company

### M/s C B Mehta & Associates, Chartered Accountants

2, Moti Villa, Azad Road,  
Vile Parle (East), Mumbai – 400057,

Maharashtra, India

**Telephone:** +91 9820927328

**Email:** chirag@cbma.co.in

**ICAI Firm Registration Number:** 124978W

**Peer Review Number:** 017369

## Changes in Auditors

Except as stated below, there have been no changes in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Name of Auditor	Address and E-mail	Date of Appointment/ Cessation	Reason
M/s C B Mehta & Associates, Chartered Accountants  <i>Firm Registration Number:</i> 124978W  <i>Peer Review Number:</i> 017369	2, Moti Villa, Azad Road, Vile Parle (East), Mumbai – 400057, Maharashtra, India  <i>Email:</i> chirag@cbma.co.in	September 30, 2024	Re-Appointment as Statutory Auditor
M/s C B Mehta & Associates, Chartered Accountants  <i>Firm Registration Number:</i> 124978W  <i>Peer Review Number:</i> 017369	2, Moti Villa, Azad Road, Vile Parle (East), Mumbai – 400057, Maharashtra, India  <i>Email:</i> chirag@cbma.co.in	April 25, 2024	Appointment in casual vacancy
Madhav Joshi and Associates, Chartered Accountants  <i>Firm Registration Number:</i> 121970W	801/B, Heritage Plaza, B wing, 8th Floor, Teli Galli Cross Road, Andheri (East) Mumbai - 400069, Maharashtra, India  <i>Email:</i> askmadhav@camadhavjoshi.com	April 20, 2024	Resignation due to pre-occupation
Madhav Joshi and Associates, Chartered Accountants  <i>Firm Registration Number:</i> 121970W	801/B, Heritage Plaza, B wing, 8th Floor, Teli Galli Cross Road, Andheri (East) Mumbai - 400069, Maharashtra, India  <i>Email:</i> askmadhav@camadhavjoshi.com	September 30, 2023	Appointment as Statutory Auditor

## Grading of the Issue

No credit agency registered with SEBI has been appointed for grading for the Issue.

## Expert

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

Our Company has received written consent dated February 25, 2025 from, M/s C B Mehta & Associates, Chartered Accountants to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of Examination Report dated February 25, 2025 on our Restated Financial Information and such consent has not been withdrawn as on the date of filing of this Draft Red Herring Prospectus.

However, the term “expert” and the consent thereof shall not be construed to mean an “expert” or consent within the meaning under the U.S. Securities Act, as amended (the “**U.S. Securities Act**”).

### **Monitoring Agency**

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹10,000.00 Lakhs. Since the size of the Issue does not exceed one hundred crore rupees, we are not required to appoint monitoring agency.

Our Company has not appointed any monitoring agency for this Issue. However, pursuant to Regulation 32(3) of the SEBI LODR Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company’s balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Financial Year, we will utilize such unutilized amount in the next Financial Year.

Further, in accordance with Regulation 32(1)(a) of the SEBI LODR Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Red Herring Prospectus.

### **Appraising Entity**

Our Company has not appointed any appraising agency.

### **Credit Rating**

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

### **Green Shoe Option**

No green shoe option is contemplated under the Issue.

### **Debenture trustees**

As the Issue is of Equity Shares, the appointment of debenture trustees is not required.

### **Filing of Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus**

The Draft Red Herring Prospectus is being filed with National Stock Exchange India Limited, Exchange Plaza, C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246(2) of SEBI ICDR Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus, along with the material contracts documents required to be filed under Section 26 & 32 of the Companies Act, 2013 was filed with the Registrar of Companies and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed to the Registrar of Companies through the electronic portal at <http://www.mca.gov.in>.

## **Book Building process**

Book building, in the context of the Issue, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms (and the Revision Forms) within the Price Band, which will be decided by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra where our registered office is located), at least two working days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with Book Building process after the Bid/Issue Closing Date. For further details, see “*Issue Procedure*” on page 274.

The SEBI ICDR Regulations have permitted the offer of securities to the public through the book building process, wherein allocation to the public shall be made as per Regulation 253(1) of the SEBI ICDR Regulations.

The Issue is being made through the book building process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the Book Running Lead Manager allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (the “**Anchor Investor Portion**”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. At least 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price.

Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange.

All Bidders, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. RIBs Bidding in the Retail Portion (subject to the Bid Amount being up to ₹200,000) and Eligible Employees Bidding in the Employees Reservation Portion can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bid/Issue Period. Except for Allocation to RIBs, Non-Institutional Investors and the Anchor Investors, Allocation in the Issue will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis.

The Book Building Process under the SEBI ICDR Regulations and the Bidding process are subject to change from time to time and Bidders are advised to make their own judgment about investment through this process prior to submitting a Bid in the Issue.

Bidders should note that the Issue is also subject to obtaining (i) final approval of the RoC after the Prospectus is

filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment within six Working Days of the Bid/Issue Closing Date or such other time period as prescribed under applicable law.

For further details on the method and procedure for Bidding, see “*Issue Structure*” and “*Issue Procedure*” on pages 270 and 274, respectively.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company have appointed the Book Running Lead Manager to manage this Issue and procure Bids for this Issue.

### **Illustration of Book Building Process and Price Discovery Process**

For an illustration of the Book Building Process and the price discovery process, see “*Terms of the Issue*” and “*Issue Procedure*” on pages 262 and 274, respectively.

### **Underwriting Agreement**

Our Company and Book Running Lead Manager to the Issue hereby confirm that the Issue is 100% underwritten. The underwriting agreement is dated February 25, 2025 and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue.

<b>Details of the Underwriter</b>	<b>No. of Shares Underwritten *</b>	<b>Amount Underwritten</b>	<b>% of the total Issue Size Underwritten</b>
Indorient Financial Services Limited	Up to 37,50,400	[●]	100

*\*Includes Up to 37,50,400 Equity shares of Rs. 10.00 each for the cash of the Market Maker Reservation Portion which are to be subscribed by the Market Maker vide their agreement dated [●] in order to comply with the requirements of Regulation 261 of the SEBI ICDR Regulations.*

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

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriter is registered with SEBI or registered as brokers with the Stock Exchange(s).

### **Details of Market Making Arrangement**

Our Company and the Book Running Lead Manager have entered into Market Making Agreement dated [●] with the following Market Maker to fulfill the obligations of market making for this Issue:

<b>Name</b>	[●]
<b>Address</b>	[●]
<b>Telephone</b>	[●]
<b>E-mail</b>	[●]
<b>Contact Person</b>	[●]
<b>SEBI Registration No.</b>	[●]
<b>Market Maker Registration No.</b>	[●]

[●], registered with NSE Emerge will act as the market maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified in SEBI ICDR Regulations as amended from time to time.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI ICDR

Regulations, as amended from time to time and the circulars issued by the NSE Emerge and SEBI in this matter from time to time.

*In terms of Regulation 261(1) of SEBI ICDR Regulations, the market making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the NSE Emerge and SEBI regarding this matter from time to time.*

*In terms of Regulation 261(2) of SEBI ICDR Regulations, the Market Maker or Issuer, in consultation with the Book Running Lead Managers may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the NSE Emerge.*

*In terms of regulation 261(3) of SEBI ICDR Regulations, following is a summary of the key details pertaining to the Market Making arrangement:*

The Market Maker “[●]”, shall be required to provide a two-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).

The prices quoted by Market Maker shall be in compliance with the market maker spread requirements and other particulars as specified or as per the requirements of NSE Emerge and SEBI from time to time.

The minimum depth of the quote shall be ₹ [●]. However, the investors with holdings of value less than ₹ [●] shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.

There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE Emerge may intimate the same to SEBI after due verification.

The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on [●] (in this case currently the minimum trading lot size is [●] Equity Shares; however, the same may be changed by the [●] from time to time).

The shares of the Company will be traded in Trade for Trade Segment for the first 10 days from commencement of trading (as per SEBI Circular no: CIR/MRD/DP/ 02/2012 dated January 20, 2012) on the NSE Emerge and market maker will remain present as per the guidelines mentioned under the Designated Stock Exchange and SEBI circulars.

The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the SEBI. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

There would not be more than five Market Maker for the Company’s Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.

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

In terms of regulation 261(7) of SEBI ICDR Regulations, the Promoters’ holding of the Company shall not be

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

The Book Running Lead Managers may be represented on the Board of the Issuer Company in compliance with Regulation 261 (8) of SEBI ICDR Regulations.

The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of our Company via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.

**Risk containment measures and monitoring for Market Maker:** The NSE Emerge platform of National Stock Exchange of India Limited will have all margins which are applicable on the National Stock Exchange Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. The NSE Emerge can impose any other margins as deemed necessary from time-to-time.

**Punitive Action in case of default by Market Maker:** The NSE Emerge platform of National Stock Exchange of India Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case they are not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines /suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time. The Market Maker shall have the right to terminate said arrangement by giving 3 (three) months' notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above-mentioned market making agreement prior to the completion of the compulsory market making period, it shall be the responsibility of the Book Running Lead Managers to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI ICDR Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker either as a replacement of the current Market Maker or as an additional Market Maker subject to the relevant laws and regulations applicable at that particular point of time.

On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.

Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

Issue Size	Buy quote exemption threshold (Including mandatory initial inventory of 5% of the Issue size)	Re-entry threshold for buy quote (Including mandatory initial inventory of 5% of the Issue size)
Up to ₹20 Crore	[●]	[●]
₹20 to ₹50 Crore	[●]	[●]
₹50 to ₹80 Crore	[●]	[●]
Above ₹80 Crore	[●]	[●]

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

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

#### **Withdrawal of the Issue**

Our Company in consultation with the Book Running Lead Manager, reserve the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within 2 (Two) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue.

The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs (in case of RII's using the UPI Mechanism), to unblock the bank accounts of the ASBA Applicants, within 1 (One) day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE Emerge, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus.

## CAPITAL STRUCTURE

Details of the share capital of our Company, as on the date of this Draft Red Herring Prospectus, are set forth below.

(in ₹, except share data)

Sr. Particulars No.	Aggregate value at face value	Aggregate value at Issue Price*
<b>A. AUTHORIZED SHARE CAPITAL**</b>		
1,50,00,000 Equity Shares of face value of ₹10 each	15,00,00,000	-
<b>B. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
1,04,22,416 Equity Shares of face value of ₹10 each	10,42,24,160	-
<b>C. PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS^</b>		
Fresh Issue up to 37,50,400 Equity Shares of face value of ₹10 each	3,75,04,000	[●]
<i>Which comprises of:</i>		
Market Maker Reservation Portion of up to [●] Equity Shares of face value of ₹10 each	[●]	[●]
Net Issue of up to [●] Equity Shares of face value of ₹10 each	[●]	[●]
<b>D. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE*</b>		
[●] Equity Shares of face value ₹10 each	[●]	-
<b>E. SECURITIES PREMIUM ACCOUNT</b>		
Before the Issue	4,12,93,035	
After the Issue#		[●]

Notes:

\*Subject to finalization Basis of Allotment.

\*\*For details in relation to the changes in the authorized share capital of our Company, see “History and Certain Corporate Matters – Amendments to our Memorandum of Association” on page 163.

^The Issue has been authorized by our Board of Directors and our Shareholders pursuant to the resolutions passed at their meetings dated January 06, 2025 and January 07, 2025, respectively.

### Notes to Capital Structure

#### I. Share Capital History of our Company

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

##### 1. Equity Share Capital

The history of the Equity Share capital of our Company is set forth in the table below:

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
June 20, 2013	10,000	10	10	Cash	Subscription to MOA <sup>(1)</sup>	10,000	1,00,000
October 05, 2015	90,000	10	10	Cash	Rights Issue <sup>(2)</sup>	1,00,000	10,00,000
August 25, 2021	6,00,000	10	N.A.	Other than Cash	Bonus Issue <sup>(3)</sup>	7,00,000	70,00,000

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
July 10, 2024	14	10	800	Cash	Allotment pursuant to ESOP Scheme <sup>(4)</sup>	7,00,014	70,00,140
August 06, 2024	6,369	10	800	Cash	Allotment pursuant to ESOP Scheme <sup>(5)</sup>	7,06,383	70,63,830
August 06, 2024	38,298	10	-	Other than Cash	Bonus Issue <sup>(6)</sup>	7,44,681	74,46,810
August 07, 2024	89,36,172	10	-	Other than Cash	Bonus Issue <sup>(7)</sup>	96,80,853	9,68,08,530
September 16, 2024	3,43,750	10	64	Cash	Preferential allotment <sup>(8)</sup>	1,00,24,603	10,02,46,030
October 03, 2024	1,19,844	10	64	Cash	Preferential allotment <sup>(9)</sup>	1,01,44,447	10,14,44,470
October 07, 2024	2,77,969	10	64	Cash	Preferential allotment <sup>(10)</sup>	1,04,22,416	10,42,24,160

(1) Allotment of 4,000 Equity Shares to Dilip Ramesh Meswani, 3,000 Equity Shares to Bindi Dilip Meswani and 3,000 Equity Shares to Abhash Dilip Meswani pursuant to subscription of MOA.

(2) Allotment of 71,001 Equity Shares to Dilip Ramesh Meswani, 17,000 Equity Shares to Bindi Dilip Meswani, 1,000 Equity Shares to Abhash Dilip Meswani and 999 Equity Shares to Milouni Dilip Meswani.

(3) Allotment of 4,50,000 Equity Shares to Dilip Ramesh Meswani, 1,20,000 Equity Shares to Bindi Dilip Meswani, 23,400 Equity Shares to Abhash Dilip Meswani, 6,000 Equity Shares to Milouni Dilip Meswani, 600 Equity Shares to Sharda Ramesh Meswani, as Bonus Issue in the ratio of 6:1, i.e. six bonus Equity Shares for every one fully paid-up Equity Shares held by the shareholders of the Company.

(4) Allotment of 14 Equity Shares to Rahul Babasaheb Sawakhande in terms of the ESOP scheme.

(5) Allotment of 6,369 Equity Shares to Rahul Babasaheb Swakhande in terms of the ESOP scheme.

(6) Allotment of 38,298 Equity Shares to Rahul Babasaheb Swakhande as Bonus Issue in the ratio of 6:1, i.e. six bonus Equity Shares for every one fully paid-up Equity Shares held by the shareholders of the Company.

(7) Allotment of 63,00,000 Equity Shares to Dilip Ramesh Meswani jointly with Bindi Dilip Meswani, 16,80,000 Equity shares to Bindi Dilip Meswani with Dilip Ramesh Meswani, 7,200 Equity shares to Sharda Ramesh Meswani jointly with Dilip Ramesh Meswani. 3,27,600 Equity shares to Abhash Dilip Meawani jointly Shurti Mishra, 84,000 Equity shares to Milouni Dilip Meswani jointly with Kunal Jhanwer, 1,200 Equity shares to Pranisha Prasad jointly with Rita Meswani, 5,36,172 Equity shares to Rahul Babasaheb Sawakhande as Bonus Issue in the ratio of 12:1, i.e. twelve bonus Equity Shares for every one fully paid-up Equity Shares held by the shareholders of the Company.

(8) Allotment of 1,56,250 Equity Shares to Amit Kumar and Ankita Saraswat (Partners of M.K. Enterprises), 78,125 Equity Shares to Ankush Kedai, 78,125 Equity Shares to Finavenue Growth Fund, 31,250 Equity Shares to Deepak Sangwam.

(9) Allotment of 1,19,844 Equity shares to Milouni Dilip Meswani jointly with Kunal Jhanwer.

(10) Allotment of 2,77,969 Equity Shares to Sharda Ramesh Meswani jointly with Dilip Ramesh Meswani.

## 2. Preference Share Capital

As on the date of this Draft Red Herring Prospectus, our Company does not have any preference share capital.

## II. Issue of shares for consideration other than cash or out of revaluation of reserves

Except as set out below, our Company has not issued any Equity Shares for consideration other than cash or out of revaluation of reserves at any time since incorporation.

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
August 25,	6,00,000	10	N.A.	Bonus issue in the ratio of six bonus	Capitalization of

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
2021				Equity Shares for every one Equity Share held in the Company <sup>(1)</sup>	reserves
August 6, 2024	38,298	10	N.A.	Bonus issue in the ratio of six bonus Equity Shares for every one Equity Share held in the Company <sup>(2)</sup>	Capitalization of reserves
August 7, 2024	89,36,172	10	N.A.	Bonus issue in the ratio of Twelve bonus Equity Shares for every one Equity Share held in the Company <sup>(3)</sup>	Capitalization of reserves
<p>(1) Allotment of 4,50,000 Equity Shares to Dilip Ramesh Meswani, 1,20,000 Equity Shares to Bindi Dilip Meswani, 23,400 Equity Shares to Abhash Dilip Meswani, 6,000 Equity Shares to Milouni Dilip Meswani, 600 Equity Shares to Sharda Ramesh Meswani, as Bonus Issue in the ratio of 6:1, i.e., six bonus Equity Shares for every one fully paid-up Equity Shares held by the shareholders of the Company.</p> <p>(2) Allotment of 38,298 Equity Shares to Rahul Babasaheb Swakhande as Bonus Issue in the ratio of 6:1, i.e. six bonus Equity Shares for every one fully paid-up Equity Shares held by the shareholders of the Company.</p> <p>(3) Allotment of 63,00,000 Equity Shares to Dilip Ramesh Meswani jointly with Bindi Dilip Meswani, 16,80,000 Equity shares to Bindi Dilip Meswani jointly with Dilip Ramesh Meswani, 7,200 Equity shares to Sharda Ramesh Meswani jointly with Dilip Ramesh Meswani. 3,27,600 Equity shares to Abhash Dilip Meswani jointly Shurti Mishra, 84000 Equity shares to Milouni Dilip Meswani with Kunal Jhanwer, 1200 Equity shares to Pranisha Prasad Jointly with Rita Meswani, 5,36,172 Equity shares to Rahul Babasaheb Sawakhande as Bonus Issue in the ratio of 12:1, i.e. Twelve bonus Equity Shares for every one fully paid-up Equity Shares held by the shareholders of the Company.</p>					

### III. Issue of Equity Shares pursuant to schemes of arrangement

Our Company has not allotted any Equity Shares pursuant to a scheme of amalgamation approved under Section 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013.

### IV. Issue or transfer of Equity Shares under employee stock option schemes

As on the date of this Draft Red Herring Prospectus, our Company has adopted the Aakaar Employee Stock Option Plan 2021 (“ESOP 2021”) pursuant to the resolutions passed by our Board on March 10, 2021 and our Shareholders on April 01, 2021. All grant of options under the ESOP 2021 is in compliance with Companies Act, 2013 and have been made to employees of our Company. As on date of this Draft Red Herring Prospectus, there have been allotments made under ESOP 2021. The details of the ESOP 2021, as certified by M/s C B Mehta & Associates, Chartered Accountants, through a certificate dated February 25, 2025 are as follows:

Particulars	For the Financial year ended March 31, 2022	For the Financial year ended March 31, 2023	For the Financial year ended March 31, 2024	From April 1, 2024 till the date of this DRHP
Total options outstanding as at the beginning of the period	N.A	6,383	6,383	6,383*
Total Options granted during the Financial Year/ period	N.A	N.A	N.A	6,383
Exercise price of options in ₹ (as on the date of grant options)	N.A	N.A	N.A	₹800 per share
Options forfeited/lapsed/cancelled during the Financial Year/ period	N.A	N.A	N.A	Nil
Variation of terms of options	N.A	N.A	N.A	Nil
Total number of options in force	N.A	N.A	N.A	6,383
Total options vested	N.A	N.A	N.A	6,383
Options exercised during the Financial Year/ period	N.A	N.A	N.A	6,383
Money realized by exercise of	N.A	N.A	N.A	51,06,400

Particulars	For the Financial year ended March 31, 2022	For the Financial year ended March 31, 2023	For the Financial year ended March 31, 2024	From April 1, 2024 till the date of this DRHP
options during the year/period				
Total number of Equity Shares that would arise as a result of full exercise of options granted	N.A	N.A	N.A	6,383
Employee wise details of options granted to:				
(i) Key Managerial Personnel and Senior Management Personnel				
Rahul Babasaheb Sawakhande	N.A	N.A	N.A	6,383
(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year				
Kavita Jain	N.A	N.A	N.A	N.A
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	N.A	N.A	N.A	Nil
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options calculated in accordance with the applicable accounting standard on 'Earnings Per Share' (in ₹)				
	<b>Particulars</b>	<b>For the Financial year ended March 31, 2023</b>	<b>For the Financial year ended March 31, 2024</b>	
	Restated earnings per equity share	2.36	3.14	
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation cost that would have been recognised if it had used the fair value of the stock options and the impact of this difference on the profits and on the earnings per share of the Company	N.A			
Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	Black-Scholes Valuation Method <sup>#</sup>			
	Risk-free interest rate		4.63% for 3 years	
	Expected life		3 Years	
	Expected volatility		It is taken Ashwath Damodaram	
	Expected dividends		0.00%	
	Price of the underlying		Re. 841..37 for Options vesting on July 31,	

Particulars	For the Financial year ended March 31, 2022	For the Financial year ended March 31, 2023	For the Financial year ended March 31, 2024	From April 1, 2024 till the date of this DRHP
			2024	
	#As per fair valuation report dated August 1, 2021			
Impact on the profits and on the earnings per share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 had been followed, in respect of options granted in the last three years	The according policies specified in the Securities and Exchange Board of India (Share based Employees Benefits and Sweat Equity) Regulations, 2021 have been followed in the restated financial statements. Therefore, the profit and earnings per share have complied with such policy.			
Intention of key managerial personnel, senior management and whole-time directors who are holders of Equity Shares allotted on exercise of options granted under the ESOP Scheme to sell their shares within three months after the listing of Equity Shares pursuant to the Offer			N.A	
Intention to sell Equity Shares arising out of the ESOP Scheme within three months after the date of listing of Equity Shares, by directors, key managerial personnel, senior management and employees having Equity Shares arising out of the ESOP Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)			N.A	

\*ESOPS were exercised on July 10, 2024 and August 6, 2025.

#### V. Issue of shares at a price lower than the Issue Price in the last year

The Issue Price for the Equity Shares is ₹ [●]. Except for the bonus issue of shares and Share Issued under Preferential Allotment dated September 16, 2024, October 03, 2024, October 07, 2024, our Company has not issued any shares in the last year. For details of the allotments made in the last one year, see “*Capital Structure – Share Capital History of Our Company – Equity Share capital*” on [●] of this Draft Red Herring Prospectus.

*[Remainder of the page has been intentionally left blank]*

## Shareholding Pattern of our Company

The table below presents the equity shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of shareholders (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of underlying Depository Receipts (VI)	Total number of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)		Total as a % of (A+B+C)	Number of Underlying Outstanding convertible securities (as a % of (VII)+(X) As a % of (A+B+C2)) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a % of (VII)+(X) As a % of (A+B+C2)) (XI)	Number of locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)	
								Class: Equity Shares	Total				(a)	As a % of total Shares held (b)	(a)	As a % of total Shares held (b)		
(A)	Promoters and Promoter Group	5	94,96,513	-	-	94,96,513	91.12%	94,96,513	94,96,513	91.12%	-	-	-	-	-	-	-	94,96,513
(B)	Public	6	9,25,903	-	-	9,25,903	8.88%	9,25,903	9,25,903	8.88%	-	-	-	-	-	-	-	9,25,903
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (A+B+C)</b>	<b>11</b>	<b>1,04,22,416</b>	<b>-</b>	<b>-</b>	<b>1,04,22,416</b>	<b>100%</b>	<b>1,04,22,416</b>	<b>1,04,22,416</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,04,22,416</b>

## Other details of shareholding of our Company

As on the date of the filing of this Draft Red Herring Prospectus, our Company has 11 Shareholders.

Set forth below are the details of the build-up of our Promoters' shareholding in our Company since incorporation:

Date of allotment/ acquisition/ transfer	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Issue Price/Consideration per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	% of Pre-Issue capital <sup>*(1)</sup>	% of Post-Issue capital
<b><i>Dilip Ramesh Meswani</i></b>								
June 20, 2013	4,000	10	10	Cash	Subscription to MOA	4,000	Negligible	[●]
September 15, 2015	(1)	10	10	Cash	Transfer of Equity Shares to Milouni Meswani	3,999	Negligible	[●]
October 05, 2015	71,001	10	10	Cash	Rights Issue	75,000	Negligible	[●]
August 25, 2021	4,50,000	10	N.A.	Other than Cash	Bonus issue in the ratio of six (6) Equity Shares for every one (1) Equity Share held in the Company	5,25,000	5.04	[●]
August 07, 2024	63,00,000*	10	-	Other than Cash	Bonus issue in the ratio of twelve (12) Equity Shares for every one (1) Equity Share held in the Company	68,25,000	65.48	[●]
<b>Sub-total (A)</b>	<b>68,25,000</b>						<b>65.48</b>	<b>[●]</b>
<b><i>Bindi Dilip Meswani</i></b>								
June 20, 2013	3,000	10	10	Cash	Subscription to MOA	3,000	Negligible	[●]
October 05, 2015	17,000	10	10	Cash	Rights Issue	20,000	Negligible	[●]
August 25, 2021	1,20,000	10	N.A.	Other than Cash	Bonus issue in the ratio of six (6) Equity Shares for every one (1) Equity Share held in the Company	1,40,000	1.34	[●]

Date of allotment/acquisition/transfer	Number of Equity Shares allotted/transferred	Face value per Equity Share (₹)	Issue Price/Consideration per Equity Share (₹)	Nature of consideration	Nature of allotment/transfer	Cumulative number of Equity Shares	% of Pre-Issue capital <sup>(1)</sup>	% of Post-Issue capital
August 7, 2024	16,80,000	10	N.A.	Other than Cash	Bonus issue in the ratio of twelve (12) Equity Shares for every one (1) Equity Share held in the Company	18,20,000	17.46	[●]
<b>Sub-total (B)</b>	<b>18,20,000</b>						<b>17.46</b>	<b>[●]</b>
<b>Total (A + B)</b>	<b>86,45,000</b>						<b>82.94</b>	<b>[●]</b>

\*The figures in the row have been rounded-off to the closest decimal.

#### Details of the transfer and acquisition of Equity Shares of our Company through secondary transaction for the Promoters, and members of the Promoter Group.

Except as disclosed below, our Promoters and members of the Promoter Group have not transferred or acquired Equity Shares of our Company through secondary transactions:

Date of transfer	Name of allottee/transferee	Transferor	No. of Equity shares transferred	Face value of Equity shares (₹)	Price per Equity Share/Nature of consideration (₹)
September 15, 2015	Milouni Meswani	Dilip Dilip Meswani	1	10	10
June 01, 2020	Shardha Meswani	Ramesh Abhash Meswani	100	10	503
June 06, 2024	Pranisha Prasad	Shardha Meswani	100	10	200

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as on the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) <sup>*</sup>
1.	Dilip Ramesh Meswani	68,25,000	65.48
2.	Bindi Dilip Meswani	18,20,000	17.46
3.	Rahul Babasaheb Sawakhande	5,80,853	5.57
4.	Abhash Dilip Meswani	3,54,900	3.41
5.	Sharda Ramesh Meswani	2,85,769	2.74
6.	Milouni Dilip Meswani	2,10,844	2.02
7.	Amit Kumar jointly with Ankita Saraswat (Partners of M.K. Enterprises)	1,56,250	1.50
<b>Total</b>		<b>1,02,33,616</b>	<b>98.18</b>

\*Rounded off to the closest decimal

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as of 10 days prior to the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) <sup>*</sup>
1.	Dilip Ramesh Meswani	68,25,000	65.48
2.	Bindi Dilip Meswani	18,20,000	17.46

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) <sup>*</sup>
3.	Rahul Babasaheb Sawakhande	5,80,853	5.57
4.	Abhash Dilip Meswani	3,54,900	3.41
5.	Sharda Ramesh Meswani	2,85,769	2.74
6.	Milouni Dilip Meswani	2,10,844	2.02
7.	Amit Kumar jointly with Ankita Saraswat (Partners of M.K. Enterprises)	1,56,250	1.50
<b>Total</b>		<b>1,02,33,616</b>	<b>98.18</b>

*\*Rounded off to the closest decimal*

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of one year prior to the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) <sup>*</sup>
1.	Dilip Ramesh Meswani	5,25,000	75.00
2.	Bindi Dilip Meswani	1,40,000	20.00
3.	Abhash Dilip Meswani	27,300	3.90
4.	Milouni Dilip Meswani	7,000	1.00
<b>Total</b>		<b>6,99,300</b>	<b>99.90</b>

*\*Rounded off to the closest decimal*

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of two years prior to the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) <sup>*</sup>
1.	Dilip Ramesh Meswani	5,25,000	75.00
2.	Bindi Dilip Meswani	1,40,000	20.00
3.	Abhash Dilip Meswani	27,300	3.90
4.	Milouni Dilip Meswani	7,000	1.00
<b>Total</b>		<b>6,99,300</b>	<b>99.90</b>

*\*Rounded off to the closest decimal*

#### The aggregate shareholding of the Promoters and Promoter group

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Pre-Issue Equity Share capital (%) <sup>*</sup>	Percentage of the Post-Issue Equity Share capital (%)
<b>Promoters</b>				
1.	Dilip Ramesh Meswani	68,25,000	65.48	[●]
2.	Bindi Dilip Meswani	18,20,000	17.46	[●]
	<b>Sub-total (A)</b>	<b>86,45,000</b>	<b>82.94</b>	<b>[●]</b>
<b>Promoter Group</b>				
1.	Abhash Dilip Meswani	3,54,900	3.41	[●]
2.	Milouni Dilip Meswani	2,10,844	2.02	[●]
3.	Sharda Ramesh Meswani	2,85,769	2.74	[●]
	<b>Sub-total (B)</b>	<b>8,51,513</b>	<b>8.17</b>	<b>[●]</b>
<b>Total</b>		<b>94,96,513</b>	<b>91.11</b>	<b>[●]</b>

*\*Rounded off to the closest decimal*

**The number of specified securities purchased or sold by the Promoter Group and/ or by the Directors of our Company and their relatives in the preceding six months.**

Except as stated below, there has been no purchase or sale of securities by our Promoters and Promoter Group or by the Directors of our Company and their relatives in the preceding six months from the date of this Draft Red Herring Prospectus:

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Percentage of the Pre-Issue Equity Share capital (%)
October 03, 2024	1,19,844	10	64	Cash	Preferential allotment <sup>(1)</sup>	1.15
October 07, 2024	2,77,969	10	64	Cash	Preferential allotment <sup>(2)</sup>	2.67

(1) Allotment of 1,19,844 Equity shares to Milouni Dilip Meswani jointly with Kunal Jhanwer.

(2) Allotment of 2,77,969 Equity Shares to Sharda Ramesh Meswani jointly with Dilip Ramesh Meswani.

**Details of lock-in**

Pursuant to the Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoter shall be considered as promoter's contribution ("Promoter's Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Name of Promoters	Number of Equity Shares locked-in	Date of allotment of Equity Shares and when made fully paid-up	Nature of transaction	Face Value per Equity Share (₹)	Issue / Acquisition price per Equity Share (₹)	Percentage of the pre-Issue paid-up capital (%)	Percentage of the post-Issue paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
Dilip Ramesh Meswani	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Bindi Dilip Meswani	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	[•]					[•]	[•]	[•]

The shareholding of the Promoters in excess of 20% of the fully diluted Post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

All the Equity Shares held by our Promoters are in dematerialized form.

The Equity Shares held by shareholders other than promoter shall be locked-in for a period of one (1) year from the date of Allotment in the Issue except for any Equity Shares held by the eligible employees (whether currently employees or not and including the legal heirs or nominees of any deceased employees or ex-employees, the same may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the Takeover Regulations.

In this connection, please note that:

The Equity Shares issued for Promoter's contribution do not include (i) Equity Shares acquired in the three immediately preceding years for consideration other than cash and revaluation of assets or capitalization of intangible assets was involved in such transaction, (ii) Equity Shares resulting from bonus issue by utilization of revaluation reserves or unrealized profits of our Company or bonus shares issued against Equity Shares, which

are otherwise ineligible for computation of minimum Promoter's contribution.

The minimum Promoter's contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being issued to the public in the Issue.

Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm.

As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

In terms of Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to the other Promoters or any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with provisions of the Takeover Regulations.

Further, in terms of Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by persons (other than our Promoters) prior to the Issue and locked-in for a period of one year, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in with the transferee for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the provisions of the Takeover Regulations.

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

Except for the allotment of Equity Shares pursuant to the Issue, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be.

Our Company, our Directors and the Book Running Lead Manager have no existing buy-back arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.

All Equity Shares offered pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

Except as disclosed in "**Risk Factors**" no 29 on page 42, the Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Red Herring Prospectus

As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

There are no outstanding convertible securities, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

Our Company shall ensure that transactions in the Equity Shares by the Promoter Group between the date of filing the draft offer documents with the Registrar of Companies and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.

No person connected with the Issue, including, but not limited to, the Book Running Lead Manager, the members of the Syndicate, our Company and Directors shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an Application.

There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

*[Remainder of the page has been intentionally left blank]*

## OBJECTS OF THE ISSUE

The Issue comprises of a Fresh Issue of up to 37,50,400 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakhs

### Fresh Issue

The net proceeds of the Fresh Issue, *i.e.*, gross proceeds of the Fresh Issue less the Issue related expenses (“**Net Proceeds**”) are proposed to be utilized in the following manner:

1. Funding working capital requirements of our Company;
  2. General corporate purposes.
- (collectively, the “**Objects**”).

### Proceeds of the Issue

The details of the Net Proceeds of the Fresh Issue are set out below:

Particulars	Estimated Amount (in ₹ Lakhs)
Gross proceeds of the Fresh Issue	[●]
(Less) Issue-related expenses in relation to the Fresh Issue <sup>(1)(2)</sup>	[●]
<b>Net Proceeds<sup>(2)</sup></b>	<b>[●]</b>

<sup>(1)</sup> The Issue related expenses shall vary depending upon the final issue size and the allotment of Equity Shares. For further details, please refer to heading titled ‘**Issue Related Expenses**’ on page number 94 of the DRHP.

<sup>(2)</sup> To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

### Utilization of Net Proceeds

Our Company proposes to utilize the Net Proceeds towards the following objects:

S. No.	Particulars	Estimated Amount <sup>(1)</sup> (in ₹ Lakhs)
1.	Funding working capital requirements of our Company	2,250.00
2.	General corporate purposes <sup>(1)</sup>	[●]
	<b>Net Proceeds</b>	<b>[●]</b>

<sup>(1)</sup> To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the ROC. The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds or ₹10 crore, whichever is lower.

In addition to the aforementioned Objects, our Company expects to receive the benefits of listing of the Equity Shares on the Emerge platform of NSE, including among things, the enhancement of our Company’s brand name and creation of a public market in India for our Equity shares.

The main objects and objects incidental and ancillary to the main objects clause of our Memorandum of Association enable our Company to: (i) undertake the existing business activities; and (ii) undertake the activities proposed to be funded from the Net Proceeds. Further, we confirm that the activities which we have been carrying out till date are in accordance with the objects clause of our Memorandum of Association.

### Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

Particulars	Total estimated cost <sup>(1)</sup>	Amount deployed as on January 31, 2025	Estimated utilization from Net Proceeds	Estimated schedule of deployment of Net Proceeds in		
				Financial Year 2025 (in ₹ Lakhs)	Financial Year 2026 (in ₹ Lakhs)	Financial Year 2027 (in ₹ Lakhs)
Funding working capital requirements of our	2250.00	Nil	2250.00	Nil	1,250.00	1,000.00

Particulars	Total estimated cost <sup>(1)</sup>	Amount deployed as on January 31, 2025	Estimated utilization from Net Proceeds	Estimated schedule of deployment of Net Proceeds in		
				Financial Year 2025	Financial Year 2026	Financial Year 2027
				(in ₹ Lakhs)	(in ₹ Lakhs)	(in ₹ Lakhs)
Company						
General corporate purposes <sup>(1)</sup>	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Proceeds</b>			[•]	[•]	[•]	[•]

<sup>(1)</sup> To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the ROC. In compliance of SEBI ICDR, The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceed or INR 10 crores, whichever is lower

The fund requirement, the proposed schedule of implementation and the intended use of the Net Proceeds as set-out above are based on our current business plans, management estimates of future growth projections, vendor quotations, current circumstances of our business and prevailing market conditions, which are subject to change. Further, the fund requirement and proposed deployment of funds described herein have not been appraised by any bank or financial institution. For details, please refer Risk Factor **“Our Company intends to utilise a portion of the Net Proceeds of the Issue towards the working capital requirements of our Company which are based on certain assumptions and estimates and has not been appraised by any bank or financial institution”** on page 40.

We may have to revise our funding requirements and deployment from time to time on account of various factors, such as, financial and market conditions, competition, business and strategy, negotiation with lenders and our vendors, interest/exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable law. For details, please refer, **“Risk Factor Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval.** on page 43.

We propose to deploy the entire Net Proceeds towards the Objects during Financial Year 2026 and 2027. However, if the Net Proceeds are not completely utilised for the objects stated above by the end of the above-mentioned period, such amounts will be utilised (in part or full) in subsequent periods, as determined by us, in accordance with applicable law.

### Means of finance

We intend to finance the Objects from the Net Proceeds. Accordingly, we confirm that we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VIII and Regulation 7(1)(e) of the SEBI ICDR Regulations and there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the Issue and existing internal accruals. In case of shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilising our internal accruals and/ or availing further borrowings. Further, if the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 15% of the Gross Proceeds or ₹10 crore, whichever is lower from the Fresh Issue in accordance with the SEBI ICDR Regulations.

### Details of the Objects

Our Board at its meeting held on February 25, 2025 approved the proposed objects of the Issue and the respective amounts proposed to be utilized from the Net Proceeds for each object.

#### 1. Funding working capital requirements of our Company

Our Company funds majority of its working capital requirements in the ordinary course of business from financing availed from banks and internal accruals as of today. Our Company proposes to utilise ₹

2,250.00 Lakh from the Net Proceeds towards funding our Company’s incremental working capital requirements. As on January 31, 2025, our total outstanding indebtedness in respect of our working capital facilities from secured lenders was ₹ 1517.28 Lakhs. For further details of the working capital facilities currently availed by our Company, see “*Financial Indebtedness*” and “*Restated Financial Statements*” on pages 230 and 189, respectively. Further, for risks in relation to use of the Net Proceeds for funding working capital gap of our Company, see “*Risk Factors— Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.*” on page 40.

#### **Existing & Estimated working capital requirement**

The details of our Company’s working capital as of Five- month period ending August 31, 2024, March 31, 2024, March 31, 2023, March 31, 2022, its projected working capital for Financial Year 2025, Financial Year 2026 & Financial Year 2027 and source of funding are set forth below<sup>(1)</sup>

(₹ in Lakhs)

Particulars	Financial	Financial	Financial	Five	Financial	Financial	Financial
	Year	Year	Year	months	Year	Year	Year
	2022	2023	2024	period	2025	2026	2027
				ending			
				on			
				August			
				31, 2024			
	Restated	Restated	Restated	Restated	Estimated	Estimated	Estimated
<b>Current Assets</b>							
Inventories	699.80	1,125.33	1,417.94	1,505.73	1,959.98	2,577.92	3,128.28
Trade Receivables	557.05	1,023.32	1,626.25	1,945.70	2,254.11	2,996.38	3,637.53
Short Term Loans & Advances	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Current Assets	249.65	54.60	206.62	196.40	294.21	398.46	519.74
<b>Total (I)</b>	<b>1,506.70</b>	<b>2,203.25</b>	<b>3,250.81</b>	<b>3,647.83</b>	<b>4,508.31</b>	<b>5,972.76</b>	<b>7,285.56</b>
<b>Current Liabilities</b>							
Trade Payables	162.00	252.98	181.69	196.72	367.50	383.95	426.58
Other Current Liabilities	373.00	416.72	292.56	338.80	405.39	543.77	680.44
Short Term Provisions	28.59	33.44	83.80	120.77	113.25	155.24	197.27
<b>Total (II)</b>	<b>563.59</b>	<b>703.14</b>	<b>558.05</b>	<b>656.29</b>	<b>886.14</b>	<b>1,082.96</b>	<b>1,304.30</b>
<b>Net Working Capital (I) – (II)</b>	<b>943.11</b>	<b>1,500.11</b>	<b>2,692.76</b>	<b>2,991.54</b>	<b>3,622.17</b>	<b>4,889.80</b>	<b>5,981.26</b>
<b>Internal Accruals/ Bank Borrowings/Existing Net Worth</b>							
<b>IPO Proceeds</b>	-	-	-	-	-	1,250.00	1,000.00

Working capital requirement is calculated based on statement of assets and liabilities as on particular date. Utilization of working capital disclosed in the table is based on closing balances. Company is expecting utilization of ₹ 1250.00 lakhs in Financial Year 2026 and remaining amount i.e. ₹ 1000.00 lakhs (₹ 2250.00 Lakhs reduced by previous year utilized amount, ₹ 1250.00 lakhs) in Financial Year 2027.

As certified by the Statutory Auditors pursuant to their certificate dated February 25, 2025 and as approved by the Board pursuant to the resolution passed by the Company in its separate Board Meeting and Audit Committee meeting dated February 25, 2025.

#### **1.1. WORKING CAPITAL RATIONALE FOR THE Financial Year 2022, Financial Year 2023 & Financial Year 2024 & five months period ending on August 31, 2024**

The Company’s working capital requirement has been on the rise YOY which is primarily driven by the following factors:

a) **Increase in revenue**

Particulars	Financial Year 2024	Financial Year 2023	Financial Year 2022	CAGR
Total Revenue from Operations in ₹ Lakhs	4611.10	3278.46	1946.54	53.91%
Number of Customers billed	5205	4507	3117	29.22%
Number of Sales Executives	128	88	53	55.41%

As seen from the CAGR from Financial Year 2021-22 to Financial Year 2023-24, the Company has had a healthy CAGR in its revenue with one of the key factors being increase in the client base. This has been driven by the sales executives of the Company which can be seen to have increased at a CAGR 55.41% from 53 executives to 128 executives on payroll. Increasing revenues has in-turn led to higher debtor outstanding and incremental working capital requirements.

b) **Inventory of Aesthetic Devices and Spare Parts** - Stock store up for anticipated future demand or to mitigate supply disruptions.

**Note on the Aesthetic Devices Inventory**

Aesthetic devices are generally higher value products. Buyers may need more time to understand the benefits, features, and risks associated with a device before making a purchase. Additionally, ongoing customer education on the results and benefits of the devices is often necessary which takes time among the customers. Some aesthetic devices also must be kept as demo devices as prospective buyers need to understand the device's functionality and benefits via demonstrations, training sessions etc. We generally do a demo session at the clients place which ranges anywhere between 1-3 days prior to selling the machines. As at 31<sup>st</sup> August 2024, we have INR 88.17 Lakhs worth of Inventory in the form of demo devices.

Above leads to these devices being part of the inventory for a longer term. If we project the demand for some machines to mature in the market, we will sell them at competitive prices in the market.

**Note on the Spare Parts Inventory**

Stocking spare parts is standard practice in industries where device reliability is crucial like in our business. Therefore we must maintain inventory of spare parts of the aesthetic devices sold by them as a critical aspect of customer service, operational efficiency, and trust-building. Devices at the client place may experience unexpected breakdowns, and immediate availability of spare parts helps clients resume operations without significant delays which is critical at aesthetic clinics. By stocking spare parts, we are supporting our clients even after the sale is completed as these are the same clients who are purchase products from us. This leads to certain spare parts being kept as part of our inventory for a longer period also as part of our normal course of the business.

Below is the break-up of as at 31<sup>st</sup> August 2024 along with days for which the inventory is outstanding which highlights higher inventory of spare parts and Aesthetic Devices more than 365 days:-

Days Outstanding	0-30	30-90	90-180	180-270	270-365	365 & Above	TOTAL
Consumable	124.91	168.76	383.72	38.58	51.93	27.64	795.55
Aesthetic Devices	0.00	1.91	105.39	47.06	21.06	305.80	481.22
Spare Parts	4.25	10.56	8.83	10.68	5.79	188.84	228.96
<b>TOTAL</b>	<b>129.17</b>	<b>181.23</b>	<b>497.93</b>	<b>96.33</b>	<b>78.78</b>	<b>522.29</b>	<b>1505.73</b>

(₹ in lakhs)

1.2. *Ageing of Trade Receivables – Top 10 Debtors as at August 31, 2024*

As on August 31, 2024, our trade receivables ageing is as below :-

(in ₹ Lakhs)

Particulars	Total Outstanding	Less than 6 months	6-12 months	12-24 months	24-36 months	36 months and above
Debtors as at August 31, 2024	1945.70	1739.82	48.29	77.15	19.84	60.60

As on August 31, 2024, our receivables ageing for Top 10 debtors is given below :-

(₹ in lakhs)

Particulars	Total Outstanding	Less than 6 months	6-12 months	12-24 months	24-36 months	36 months and above
Debtor 1	149.34	149.34	-	-	-	-
Debtor 2	77.67	77.67	-	-	-	-
Debtor 3	37.56	37.56	-	-	-	-
Debtor 4	31.15	31.15	-	-	-	-
Debtor 5	30.45	29.76	0.69	-	-	-
Debtor 6	27.42	22.49	4.93	-	-	-
Debtor 7	26.36	26.36	-	-	-	-
Debtor 8	24.13	-	17.09	7.04	-	-
Debtor 9	23.68	-	23.68	-	-	-
Debtor 10	22.77	22.77	-	-	-	-
<b>TOTAL</b>	<b>450.53</b>	<b>397.10</b>	<b>46.39</b>	<b>7.04</b>	-	-
Total O/S as at August 31, 2024	1945.70					
% of Top 10 Debtors	<b>23.16%</b>					

The above trade receivables are considered good and recoverable & they include Doctors as well as stockists/distributors through whom we supply our products.

1.3. *Ageing of Trades Payable and Top 10 Creditors as at August 31, 2024*

As on August 31, 2024, our trades payable ageing is as below

Particulars	Total Outstanding	Less than 1 year	12-24 months	24-36 months	36 months and above
Creditors as at August 31, 2024	196.72	171.09	14.35	11.18	0.10

As on August 31, 2024, our trades payable ageing for Top 10 creditors is given below :

(₹ in lakhs)

Particulars	Total Outstanding	Less than 6 months	6-12 months	12-24 months	24-36 months	36 months and above
Creditor 1	45.83	45.83	-	-	-	-
Creditor 2	35.13	35.13	-	-	-	-
Creditor 3	26.28	26.28	-	-	-	-
Creditor 4	14.27	14.27	-	-	-	-
Creditor 5	12.64	12.64	-	-	-	-
Creditor 6	10.46	-	-	10.46	-	-
Creditor 7	4.51	-	-	-	4.51	-
Creditor 8	1.02	1.02	-	-	-	-
Creditor 9	0.36	0.36	-	-	-	-
Creditor 10	0.24	0.24	-	-	-	-
<b>TOTAL</b>	<b>150.74</b>	<b>135.77</b>	-	<b>10.46</b>	<b>4.51</b>	-
Total O/S as at August 31, 2024	196.72					
% age of Top 10 Creditors	<b>76.63%</b>					

1.4. Assumptions for working capital requirements (Holding Days):

((in ₹ Lakhs)

Particulars	Financial Year 2024	Financial Year 2023	Financial Year 2022	Five months period ending on August 31, 2024	Financial 1 Year 2025	Financial 1 Year 2026	Financial Year 2027
	Restated	Restated	Restated	Restated	Projected	Projected	Projected
<b>Current Assets</b>							
Inventories	268	222	222	218	207	207	201
Trade Receivables	108	88	105	126	108	105	100
Other Current Assets	35	17	10	7	14	14	14
<b>Total (I)</b>	<b>411</b>	<b>327</b>	<b>337</b>	<b>351</b>	<b>329</b>	<b>326</b>	<b>315</b>
<b>Current Liabilities</b>							
Trade Payables	78	50	38	28	34	34	29
Other Current Liabilities	74	49	31	22	22	22	22
Short Term Provisions	4	4	5	7	6	6	6
<b>Total (II)</b>	<b>156</b>	<b>104</b>	<b>75</b>	<b>58</b>	<b>62</b>	<b>63</b>	<b>57</b>
<b>Net Working Capital (I) – (II)</b>	<b>255</b>	<b>223</b>	<b>262</b>	<b>293</b>	<b>266</b>	<b>263</b>	<b>257</b>

Pursuant to the certificate dated February 25, 2025 issued by Statutory Auditors of the Company, have complied and confirmed the working capital estimates, as approved by the Board pursuant to the resolution passed by the Company in its separate Board Meeting and Audit Committee meeting dated February 25, 2025.

**Note**

- (1) Holding period level (in days) of Inventories is calculated by dividing average inventories for the current and previous period by cost of goods sold (including raw material consumed, and change in inventories) multiplied by number of days in the year/period.
- (2) Holding period level (in days) of Trade Receivables is calculated by dividing average trade receivables for the current and previous period by revenue from operations multiplied by number of days in the year/period.
- (3) Holding period level (in days) of Other Current Assets is calculated by dividing average other current assets for the current and previous period by revenue from operations multiplied by number of days in the year/period.
- (4) Holding period level (in days) of Trade Payables is calculated by dividing average trade payables for the current and previous period by sum of raw material consumed, and change in inventories multiplied by number of days in the year/period.
- (5) Holding period level (in days) of Other current liabilities days is calculated by dividing average of other current liabilities for the current and previous period / total expenditure for the current period multiplied by number of days in the year/period.
- (6) Holding period level (in days) of Short term Provisions is calculated by dividing average of short term provisions for the current and previous period / total expenditure for the current period multiplied by number of days in the year/period.

**JUSTIFICATION FOR WORKING CAPITAL LEVELS**

For a company like ours selling aesthetic products to dermatology clinics, maintaining an adequate working capital requirement is essential to ensure smooth operations.

Particulars	Assumptions and justifications
<b>Current assets</b>	
Inventory	We need to maintain an inventory of aesthetic products (e.g., injectables, skincare products, etc.) to supply to dermatology clinics where the demands can be pressing from the clinics and timely delivery plays a key role for customer satisfaction. Inventory consists of aesthetic products, aesthetic devices & spare parts of devices. Total inventory levels are expected to increase in line with the projected business activity in the Financial Year 2025, Financial Year 2026 & Financial Year 2027. Company's inventory days reduced from 268 days in Financial Year 2021-22, 274 days in Financial Year 2022-23 to 222 days in Financial Year 2023-24 & 218 days for five-month period ending August 2024. The Company is anticipating Inventory days at 207 days for Financial Year 2024-25 & Financial Year 2025-26 and 201 days for Financial Year 2026-27 respectively & the marginal decline in days will be primarily be due to sale of Aesthetic Devices and Spare Parts which are lying for more than 365 days at competitive margins. Also refer Point 1.1 " <b>WORKING CAPITAL RATIONALE FOR THE Financial Year 2022, Financial Year 2023 &amp; Financial Year 24 &amp; five-month</b>

Particulars	Assumptions and justifications
	<i>period ending August 31, 2024</i> " on page 89 of this DRHP.
Trade receivables	Trade receivables are amount owed to Company by customers following sale of goods and services on credit. Dermatology clinics, especially smaller or independent ones, need to manage cash flows due to the uneven nature of patient visits, seasonal demand, or high overhead costs (rent, salaries, equipment maintenance). We provide extended payment terms of 90-120 days to long term customers with no history of bad debts to maintain healthy relationships with them. Extended payment terms can provide more flexibility in managing income and outflows, ensuring that the clinic has enough funds to cover operational costs. The Company's trade receivables days for Financial Year 2022, 2023, 2024 & period ending August 2024 were 108 days, 88 days, 105 days and 126 days. The increase in trade receivables was mainly attributable to increase in the total revenue from operations from ₹ 1946.53 lakhs in Financial Year 2022 to ₹ 4611.10 lakhs in Financial Year 2024. The Company is expecting the trade receivables levels to be at 108 days for Financial Year 2024-25, 105 days for Financial Year 2025-26 & 100 days for Financial Year 2026-27. Also refer Point 1.1 " <b>WORKING CAPITAL RATIONALE FOR THE Financial Year 2022, Financial Year 2023 &amp; Financial Year 24 &amp; five- month period ending August 31, 2024</b> " on page 89 of this DRHP.
Other current assets	The category of "Other Current Assets" primarily includes Advances to suppliers, Prepaid Expenses, balance with government authorities and other similar assets. Currently certain select vendors from whom we import our products are taking 40-50% advance and we also provide some advance to our local manufacturers to purchase raw materials etc. The other current assets days were 35 days in Financial Year 2022, 17 days in Financial Year 2023, 10 days in Financial Year 2024 & 7 days in August 2024. During Financial Year 2023 & Financial Year 2024 there was a reduction in advances to suppliers as compared Financial Year 2022 due to lower advances paid to the suppliers. We expect the same trend to continue going forward with the days to remain at 14 days for Financial Year 2025, Financial Year 2026 & Financial Year 2027.
<b>Current liabilities</b>	
Trade payables	Trade payables are amount to be paid to suppliers by company following purchase of products/materials/services from supplier on credit. The Company had maintained trade payable days of 78 days in Financial Year 2021-22, 50 days in Financial Year 2022-23, 38 days in Financial Year 2023-24 and 28 days in the period ended August 31, 2024. The trade payables days have reduced from Financial Year 2022 to five months period ending on August 2024 the last 3 years primarily due to our ability to make faster payments with higher sanction limits from the banks which also helps us to get better pricing and improve relationships with long term vendors as well as the new MSME payment rules by the Government. We expect the trades payables to be maintained at similar levels as Financial Year 2024 in the next 3 years with 34 days in Financial Year 2025, 34 days in Financial Year 2026 & 29 days in Financial Year 2027.
Other current liabilities	The category of "Other current liabilities" primarily includes items such as Advance from Customers, Salary Payable, Statutory dues and other similar obligations. The Company receives advances majorly from customers who purchase aesthetic devices. With the revenue share from Aesthetic devices reducing from 28.79% in Financial Year 2022 to 12.79% in five- month period ending August 2024(also refer the Business Chapter " <b>Business Overview</b> " section on Page 129 of the DRHP) the advances from customers have gone down over the years thus reducing the days from 74 days in Financial Year 2022 to 22 days as at five- month ending August 31, 2024. To align with the projected business activity, the Company has projected the level of other current liabilities 21-22 days for the Financial Years 2025, 2026 & 2027.
Short term provisions	The category of "Short term provisions" primarily includes items such as Provision for taxation, gratuity & tax. To align with the projected business activity, the Company has projected the level of other current liabilities 5-7 days for the Financial Years 2025, 2026 and 2027.

## 2. General corporate purposes

We propose to deploy the balance Net Proceeds aggregating to ₹ [●] Lakhs towards general corporate purposes, subject to such utilisation not exceeding 15% of the Gross Proceeds or ₹10 crore, whichever is lower from the Fresh Issue, in compliance with Regulation 230 (2) of the SEBI ICDR Regulations. The

general corporate purposes for which we propose to utilize the Net Proceeds includes meeting day to day expenses which includes amongst other things, short-term working capital requirements, meeting any expense of the Company, including meeting any shortfall in setting up the new factory, salaries and wages, administration, insurance, repairs and maintenance, payment of taxes and duties, servicing of borrowings including payment of interest, brand building and other marketing expenses, meeting expenses incurred in the ordinary course of business and towards any exigencies, and any other purpose as considered expedient and as approved periodically by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including the necessary provisions of the Companies Act.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and our business requirements, from time to time. Our management, in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, if our actual issue expenses turn to be lesser than the estimated issue expenses, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Draft Red Herring Prospectus, shall not exceed 15% of the Gross Proceeds or ₹10 crore, whichever is lower.

### Details of funds deployed till date and sources of funds deployed

The funds deployed towards the object of this Issue. This is certified by Auditors of our Company, viz. C B Mehta & Associate, Chartered Accountants pursuant to their certificate dated February 25, 2025 is given below:

(₹ in Lakhs)	
Deployment of Funds	Amount
Issue related expenses	41.13
<b>TOTAL</b>	<b>41.13</b>

(₹ in Lakhs)	
Sources of Funds	Amount
Short term borrowings	41.13
<b>TOTAL</b>	<b>41.13</b>

### 3. Estimated Issue Related Expenses

The total expenses for this Issue are estimated not to exceed ₹ [●] Lakhs which is [●]% of Issue Size. The details of Issue expenses are tabulated below:

(₹ in Lakhs)			
Particulars	Amount	% of Total Issue Expenses	% of Total Issue size
Book Running Lead Manager fees [including underwriting]	[●]	[●]	[●]
Brokerage, selling commission and other uploading fees	[●]	[●]	[●]
Fees payable to Registrar to the Issue	[●]	[●]	[●]
Fees to the legal advisor, audit / chartered accountant fees	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to regulators including stock exchange	[●]	[●]	[●]
Printing and distribution expenses	[●]	[●]	[●]
Fees payable to Industry Report provider	[●]	[●]	[●]
Miscellaneous	[●]	[●]	[●]
<b>Total Expenses</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

Issue expenses include goods and services tax, where applicable. Issue expenses will be incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.

- 1) Selling commission payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders which are directly procured

and uploaded by the SCSBs, would be as follows:

Portion for RIBs*	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●]% of the Amount Allotted (plus applicable taxes)

\* Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of NSE. No additional processing fees shall be payable to the SCSBs on the applications directly procured by them.

- 2) Processing fees payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate / sub-Syndicate / Registered Broker / CRTAs / CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Bidders*	₹ [●] per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders*	₹ [●] per valid application (plus applicable taxes)

\* Processing fees payable to the SCSBs on the ASBA Form for Non-Institutional Bidder and Qualified Institutional Bidders with bids above ₹ [●] Lakh would be ₹ [●] plus applicable taxes, per valid Bid cum Application Form

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹ [●] lakh (plus applicable taxes) and in case if the total processing fees exceeds ₹ [●] lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis for Retail Individual Investors and Non-Institutional Investors, as applicable.

- 3) Brokerage Selling commission and processing/ uploading charges on the portion for Retail Individual Investors and Non-Institutional Investors which are procured by members of the Syndicate Members, Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the Registered Brokers would be as follows:

Portion for RIBs*	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●]% of the Amount Allotted (plus applicable taxes)

\* Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

The Selling Commission payable to the brokers will be determined (i) for RIBs and Non-Institutional Bidders (up to ₹ [●] Lakh), on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member, and (ii) for Non-Institutional Bidders (above ₹ 5.0 Lakh), Syndicate ASBA Form bearing SM Code & Sub-Syndicate Code of the application form submitted to SCSBs for Blocking of the Fund and uploading on the Exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number, is bid by an SCSB, the Selling Commission will be payable to the Syndicate / Sub-Syndicate Member and not the SCSB.

Bidding charges payable to Registered Brokers on the applications made using 3-in-1 accounts, would be ₹ 5 plus applicable taxes, per valid application bid by the Broker. Bidding charges payable to SCSBs on the QIB Portion and Non-Institutional Bidders (excluding UPI Bids) which are procured by the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSBs for blocking and uploading would be ₹ [●] per valid application (plus applicable taxes). Bidding charges payable on the application made using 3-in-1 accounts will be subject to a maximum cap of ₹ 0.50 lakh (plus applicable taxes). The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of NSE.

The Selling commission / bidding charges payable to the Registered Brokers on the portion for RIBs and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

Portion for RIBs and Non-Institutional Bidder	₹ [●] per valid application (plus applicable taxes)
-----------------------------------------------	-----------------------------------------------------

Bidding charges / processing fees for applications made by UPI Bidders would be as under

Payable to members of the Syndicate (including their sub-Syndicate Members)/ RTAs / CDPs	₹ [●] per valid application (plus applicable taxes)
Payable to Sponsor Bank	₹ [●] per valid application (plus applicable taxes) The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws

The total uploading charges / processing fees payable to Members of the Syndicate, RTAs, CDPs, Registered Brokers as listed under (4) will be subject to a maximum cap of ₹ [●] lakh (plus applicable taxes). In case the total uploading charges/processing fees payable exceeds ₹1.00 lakh, then the amount payable to Members of the Syndicate, RTAs, CDPs, Registered Brokers would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹ [●] lakh.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Banks Agreement. The processing fees for applications made by UPI Bidders may be released to

*the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.*

*The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant registered broker and other intermediaries.*

*Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.*

### **Interim Use of Net Proceeds**

Pending utilisation of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, as may be approved by our Board or a duly constituted committee thereof.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity shares of any other listed company.

### **Shortfall of Funds**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and / or unsecured Loans.

### **Bridge Financing Facilities**

As on the date of this Draft Red Herring Prospectus our Company has not raised any bridge loans from any bank or financial institution which are proposed to be repaid from the Net Proceeds.

### **Appraising entity**

None of the Objects for which the Net Proceeds will be utilized have been appraised by any bank or financial institution. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our Business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

### **Monitoring of Utilisation of Funds**

As the proposed size of the Issue is less than ₹10,000 lakhs, in terms of Regulation 262 of the SEBI ICDR Regulations, we are not required to appoint of a monitoring agency for the monitoring the utilisation of Net Proceeds. Our Board will monitor the utilization of Net Proceeds through its Audit Committee.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Financial Year, we will utilize such unutilized amount in the next Financial Year year. Further, in accordance with Regulation 32(1)(a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Red Herring Prospectus.

**Variations in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**Other Confirmations**

There are no material existing or anticipated transactions with our Promoters, Directors, or Key Managerial Personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, Directors or Key Managerial Personnel except in the normal course of business and in compliance with the applicable laws.

*[Remainder of the page has been intentionally left blank]*

## BASIS FOR THE ISSUE PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information**” beginning on page 129 and 189 respectively of this Draft Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price and the Price Band will be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

For the purpose of making an informed investment decision, the investors should also refer “**Risk Factors**”, “**Our Business**”, “**Restated Financial Information**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on 27, 129, 189, and 231 respectively of this Draft Red Herring Prospectus.

### **Qualitative Factors:**

Some of the qualitative factors and our strengths which form the basis for the Issue Price are:

- Experienced management and leadership teams.
- Diversified customer base.
- Diversified product base.
- Pan India reach through our consignment sales partner.

For further details, see “**Risk Factors**” and “**Our Business**” on pages 27 and 129, respectively.

### **Quantitative Factors:**

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

#### 1. **Basic and Diluted Earnings per share (EPS), as adjusted for changes in capital**

(Amount in ₹)

<b>For Year Ended</b>	<b>Basic EPS</b>	<b>Diluted EPS</b>	<b>Weight</b>
March 31, 2022	1.78	1.78	1
March 31, 2023	2.37	2.36	2
March 31, 2024	3.15	3.14	3
<b>Weighted Average</b>	<b>2.66</b>	<b>2.65</b>	
Five month period ended August 31, 2024*	(0.45)	(0.45)	

\*Not annualised

#### **Notes:**

- The figures disclosed above are based on the Restated Financial Information of the Company.*
- The face value of each Equity share is ₹10.*
- Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.*
- Basic Earnings Per Share = Restated Net Profit after tax / Weighted average number of equity shares outstanding during the year.*
- Diluted Earnings Per Share = Restated Net Profit after tax / Weighted average number of diluted potential equity shares outstanding during the year.*
- Basic and Diluted EPS calculations are in accordance with Accounting Standard 20 “Earnings per Share”, notified under section 133 of Companies Act, 2013 read together along with paragraph 7 of Companies (Accounting) Rules, 2014.*

2. **Price/ Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per equity share:**

Particulars	(P/E) Ratio at the lower end of the Price Band (no. of times)*	(P/E) Ratio at the higher end of the Price Band (no. of times)*
Based on Basic EPS as per the Restated Financial Information for the year ended March 31, 2024	[●]	[●]
Based on Diluted EPS as per the Restated Financial Information for the year ended March 31, 2024	[●]	[●]
Based on Weighted Average Basic EPS	[●]	[●]
Based on Weighted Average Diluted EPS	[●]	[●]

\*to be updated at RHP / Prospectus stage.

3. **Average Return on Net Worth (RoNW)**

For Year Ended	RoNW	Weight
March 31, 2022	21.59%	1
March 31, 2023	24.35%	2
March 31, 2024	25.88%	3
<b>Weighted Average</b>	<b>24.66%</b>	
Five month period ended August 31, 2024*	(3.34%)	

\*Not Annualised

**Notes:**

- RoNW has been computed by dividing restated net profit after tax with the average restated Net worth of beginning and the end of the year / period.
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year / Total of weights.
- As certified by C B Mehta & Associates, the Statutory Auditor of our Company pursuant to their certificate dated February 25, 2025.
- Net Worth = Share Capital + Balance in Profit and loss account + Securities Premium Account.

4. **Net Asset Value (NAV) per Equity Share (Face Value of ₹10 each)**

Particulars	NAV (In ₹)
Year Ended March 31, 2022	8.82
Year Ended March 31, 2023	10.61
Year Ended March 31, 2024	13.76
Five month period ended August 31, 2024	12.81
NAV per Equity Share at Floor Price*	[●]
NAV per Equity Share at Cap Price*	[●]
NAV per equity share at Issue price*	[●]
Issue Price per share*	[●]

\*To be updated at RHP / Prospectus stage

**Note:**

- NAV per equity share = Restated Net worth at the end of the year (or period) / Number of Equity shares outstanding at the end of the year.
- Net Worth = Share Capital + Balance in Profit and loss account + Securities Premium Account.
- As certified by C B Mehta & Associates, the Statutory Auditor of our Company pursuant to their certificate dated February 25, 2025.

5. **Comparison of Accounting Ratio & KPIs with Industry Peers:**

We believe that, with our pure play B2B business model supplying to Dermatologists/Aesthetic Physicians & concentration on Aesthetic Products only through doctors, there are no listed entities of similar size or similar business model in India, which is comparable with our business. However, we

have included comparisons with closely comparable unlisted entities below:

### **Financial Year 2024**

(₹ in lakhs except %,Nos and ratios)

Particulars	Aakaar Medical Technologies Limited	Skinnovation Pvt. Ltd.	Spectra Medical India Pvt. Ltd.
Total Revenue	4,611.10	11920.00	13200.00
EBITDA	499.89	970.00	NA
EBITDA Margin	10.84%	8.10%	NA
PAT	287.02	620.00	1380.00
PAT Margin	6.22%	5.20%	10.50%
Net worth	1,252.56	1860.00	NA
Return on Net Worth	25.88%	33.50%	NA
Return on Capital Employed	23.57%	11.10%	NA
Revenue from own brands <sup>(ix)</sup>	1,393.65	NA	NA
Sales team <sup>(x)</sup> (Nos)	128	NA	NA
Number of Customers Billed <sup>(xi)</sup> (Nos)	5,205	NA	NA

### **Financial Year 2023**

(₹ in lakhs except %,Nos and ratios)

Particulars	Aakaar Medical Technologies Limited	Skinnovation Pvt. Ltd.	Spectra Medical India Pvt. Ltd.
Total Revenue	3,278.46	8,900.00	11,460.00
EBITDA	352.86	840.00	1,800.00
EBITDA Margin	10.76%	9.40%	15.80%
PAT	215.32	570.00	1,220.00
PAT Margin	6.57%	6.40%	10.60%
Networth	965.54	1,230.00	4,040.00
Return on Net Worth	24.35%	46.30%	30.20%
Return on Capital Employed	28.35%	12.90%	21.30%
Revenue from own brands <sup>(ix)</sup>	774.47	NA	NA
Sales team <sup>(x)</sup> (Nos)	95	NA	NA
Number of Customers Billed <sup>(xi)</sup> (Nos)	4507	NA	NA

### **Financial Year 2022**

(₹ in lakhs except %,Nos and ratios)

Particulars	Aakaar Medical Technologies Limited	Skinnovation Pvt. Ltd.	Spectra Medical India Pvt. Ltd.
TOTAL INCOME <sup>(i)</sup>	1,946.54	5070.00	7,540.00
EBITDA <sup>(ii)</sup>	239.56	260.00	1,410.00
EBITDA Margin <sup>(iii)</sup>	12.31%	5.20%	18.70%
PAT <sup>(iv)</sup>	161.85	160.00	960.00
Net Worth <sup>(v)</sup>	802.72	660.00	2830.00
PAT Margin <sup>(vi)</sup>	8.31%	3.20%	12.80%
Return on Net Worth <sup>(vii)</sup>	21.59%	24.30%	34.00%
Return on Capital Employed <sup>(viii)</sup>	27.44%	4.50%	24.80%
Revenue from own brands <sup>(ix)</sup>	527.59	NA	NA
Sales team <sup>(x)</sup> (Nos)	53	NA	NA
Number of Customers Billed <sup>(xi)</sup> (Nos)	3117	NA	NA

**Notes:**

- The figures for our company are based on Restated Financial Information for the year ended March 31, 2023 and 2022.
- Financial information for unlisted industry peers mentioned above is sourced from the Industry Report issued by Ken Research Private Limited dated 12<sup>th</sup> February 2025.
- The financial statement of some of the companies may have been reported in both IGAAP and Ind AS, we do not have any visibility on transition impact of the same.
- Some of operational KPIs, namely Revenue from own brands, Sales team & Number of Customers Billed are not directly available from the Industry Report as well as publicly available information and hence have been marked as "NA" in the table above.
- The comparable mentioned above do not report five monthly numbers hence five months August 2024 numbers are not

- included above
- f. The data for competition has been taken on standalone basis by Ken Research as there is no visibility on the construct of their group structure.
- g. Data for Spectra Medical for Financial Year 2024 is only available on a limited basis based on the Ken Research report and completed financial statements are yet not available on the ROC database as at February 12, 2025

**KPI Formulas (for Aakaar Medical Technologies Limited) :**

- i. **Revenue From Operations:** This amount is Revenue from Operations as appearing in the Restated Financial Statements.
- ii. **EBITDA:** = Profit for the period / year, plus tax expenses, finance costs, depreciation and amortization expenses, extraordinary items and reduced by other income.
- iii. **EBITDA MARGIN (%):** EBITDA divided by Revenue from Operations.
- iv. **Profit After Tax(PAT):** This amount is Profit for the period/year as appearing in the Restated Financial Statements.
- v. **PAT MARGIN (%):** Profit for the year/period divided by Revenue from Operations.
- vi. **Net Worth:** Share capital + Balance in Profit and Loss account + Securities Premium account
- vii. **Return On Net Worth (RONW) (%):** Restated Net Profit after tax for the year/period divided by average of net worth at beginning and end of the year.
- viii. **Return On Capital Employed:** Earnings before interest and taxes divided by average capital employed. Capital Employed includes Tangible Net worth, Long-Term Borrowing and Short-Term Borrowing less cash and cash equivalents and other bank balances.
- ix. **Revenue from own brands** = Revenue from products sold under the Umbrella of Aakaar Brands
- x. **Sales team** = Sales executives of the Company as at the end of the respective period which drive our revenue which includes sales executives on ground as well as sales managers.
- xi. **Number of Customers Billed** = End customers which includes Doctors, Aesthetic Surgeons & Clinics Chains billed in a Year which can be either through PISPL/Stockists/Distributors/directly by the Company.

6. **Key Performance Indicators (KPIs)**

- a. The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analysing the growth in comparison to our peers. The KPIs disclosed below have been approved, by a resolution of our Audit Committee dated February 25, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/s C B Mehta & Associates, Chartered Accountants, the Statutory Auditor of our Company pursuant to their certificate dated February 25, 2025, Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

(₹ in lakhs except %,Nos and ratios)

Key Performance Indicators (KPI)	5-month period ended August 31, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from Operations	2,133.65	4,611.10	3,278.46	1,946.54
EBITDA	11.36	499.89	352.86	239.56
EBITDA Margin	0.53%	10.84%	10.76%	12.31%
PAT	(41.61)	287.02	215.32	161.85
PAT Margin	(1.95%)	6.22%	6.57%	8.31%
Net Worth	1,239.67	1,252.56	965.54	802.72
Return on Net Worth	(3.34%)*	25.88%	24.35%	21.59%
Return on Capital Employed	0.39%*	23.57%	28.35%	27.44%

Key Performance Indicators (KPI)	5-month period ended August 31, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from own brands	844.37	1,393.65	774.47	527.59
Sales team (Nos)	135	128	88	53
Number of Customers Billed (Nos)	3,295	5,205	4,507	3,117

\*Not Annualised

#### KPI – FORMULAS

- i. **Revenue From Operations:** This amount is Revenue from Operations as appearing in the Restated Financial Statements.
- ii. **EBITDA:** = Profit for the period / year, plus tax expenses, finance costs, depreciation and amortization expenses, extraordinary items and reduced by other income.
- iii. **EBITDA MARGIN (%):** EBITDA divided by Revenue from Operations.
- iv. **Profit After Tax(PAT):** This amount is Profit for the period/year as appearing in the Restated Financial Statements.
- v. **PAT MARGIN (%):** Profit for the year/period divided by Revenue from Operations.
- vi. **Net Worth:** Share capital + Balance in Profit and Loss account + Securities Premium account
- vii. **Return On Net Worth (RONW) (%):** Restated Net Profit after tax for the year/period divided by average of net worth at beginning and end of the year.
- viii. **Return On Capital Employed:** Earnings before interest and taxes divided by average capital employed. Capital Employed includes Tangible Net worth, Long-Term Borrowing and Short-Term Borrowing less cash and cash equivalents and other bank balances.
- ix. **Revenue from own brands** = Revenue from products sold under the Umbrella of Aakaar Brands
- x. **Sales team** = Sales executives of the Company as at the end of the year/period which drive our revenue which includes sales executives on ground as well as sales managers.
- xi. **Number of Customers Billed** = End customers which includes Doctors, Aesthetic Surgeons & Clinics Chains billed in a Year which can be either through PISPL/Stockists/Distributors/directly by the Company.

#### KPI-DESCRIPTION

KPI	DESCRIPTION
REVENUE FROM OPERATIONS	Revenue from Operations is used by Management to track the performance and growth of the company.
EBITDA	EBITDA gives a comprehensive view of the health of the company as it considers all sources of Operating Income. It's the aggregate of the restated profit before tax, depreciation and amortisation expense and finance costs, less other income, for the relevant year.
EBITDA MARGIN	EBITDA Margin is a financial ratio that measures the profitability of the company as a percentage of its Revenue from Operations.
PAT	Profit after Tax gives the overall profitability of business.
PAT MARGIN	PAT Margin is a ratio that measures the profitability of the company as a percentage of its Total Income.
NET WORTH	Net Worth represents the Shareholders' funds invested in the business.
RETURN ON NET WORTH (RoNW)	Return on Net Worth (RoNW) represents the percentage of Net profit after deducting minority interest on the Average of Net Worth. This ratio measures the return on Shareholders' funds.
RETURN ON CAPITAL EMPLOYED	Return on capital employed provides how efficiently the Company generates earnings from the capital employed in the business.
REVENUE FROM OWN BRANDS	It indicates how the company is gradually increasing its turnover from their own brand business which is also a higher margin business.
SALES TEAM (NOS)	It indicates the increasing reach of our business as well as the growth of the business which is primarily driven by the sales executives.
NUMBER OF CUSTOMERS BILLED (NOS)	It indicates the YOY increase in our number of doctors and in-turn highlight how is the Company growing its clientele pan India.

\* As approved by resolution of the Audit Committee and our Board dated February 25, 2025 and as certified by C B Mehta & Associates, the Statutory Auditor of our Company pursuant to their certificate dated February 25, 2025

7. **Weighted average cost of acquisition**

A. **The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities) excluding shares issued under ESOP/ESOS and issuance of bonus shares.**

The weighted average cost of acquisition of all primary issuance during the 18 months prior to the date of DRHP (excluding shares issued under ESOP/ESOS and bonus shares) where such issuance was equal to or more than 5% of fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Sr. no	Date of Allotment	Nature of Transaction	Nature of Consideration	Price per Equity Share	Face value per Equity Shares	No. of Equity shares	Cost per Equity Share (including securities premium) (Rs)	Total Consideration (Rs)	Cumulative amount paid for the Equity Shares	Cumulative no. of Equity Shares acquired in the last 18 months
1	16-09-2024	Preferential Allotment	Cash	64	10	1,56,250	64	1,00,00,000	1,00,00,000	1,56,250
2	16-09-2024	Preferential Allotment	Cash	64	10	78,125	64	50,00,000	1,50,00,000	2,34,375
3	16-09-2024	Preferential Allotment	Cash	64	10	78,125	64	50,00,000	2,00,00,000	3,12,500
4	16-09-2024	Preferential Allotment	Cash	64	10	31,250	64	20,00,000	2,20,00,000	3,43,750
5	03-10-2024	Preferential Allotment	Cash	64	10	1,19,844	64	76,70,016	2,96,70,016	4,63,594
6	07-10-2024	Preferential Allotment	Cash	64	10	2,77,969	64	1,77,90,016	4,74,60,032	7,41,563
<b>Weighted Average Cost of Acquisition of the above transactions(after changes in capital due to bonus and split)</b>							<b>64</b>			

B. **The price per share of our Company based on the secondary sale / acquisition of shares (equity /convertible securities)**

The computation of weighted average cost of acquisition of all secondary issuance by Promoter and Promoter Group and/or the other shareholders during the 18 months prior to the date of the DRHP (excluding gifts) and where such sale or acquisition was equal to or more than 5% of fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days.

NIL

C. **In case there are no such transactions to report under (A) and (B), then the information shall be disclosed for price per share of the Issuer Company based on last 5 primary or secondary transactions (secondary transactions where promoter / promoter group entities or shareholder(s) selling shares through Issue for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company, are a party to the transaction), not older than 3 years prior to the date of filing of the DRHP, irrespective of the size of transactions.**

NIL

D. **Weighted average cost of acquisition, floor price and cap price**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ [●]/-)	Cap price (i.e. ₹ [●] /-)
Weighted average cost of acquisition of primary / new issue as per paragraph 8(A) above	64	[●]	[●]
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(B) above	NA	[●]	[●]
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(C) above -Primary Transactions -Secondary Transactions	NA	[●]	[●]

*\*as adjusted for changes in capital*

**E. The Issue Price is [●] times of the face value of the equity shares**

*The face value of our share is ₹10 /- per share and the Issue Price is of ₹[●] per share are [●] times of the face value. Our Company in consultation with the Book Running Lead Manager believes that the Issue Price of ₹[●] per share for the Public Issue is justified in view of the above quantitative and qualitative parameters. Investor should read the abovementioned information along with the section titled “**Risk Factors**” beginning on page 27 of this Draft Red Herring Prospectus and the financials of our Company as set out in the chapter titled “**Restated Financial Information**” beginning on page 189 of this Draft Red Herring Prospectus.*

***[Remainder of the page has been intentionally left blank]***

## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
**The Board of Directors,**  
**Aakaar Medical Technologies Limited**  
*(Formerly known as Aakaar Medical Technologies Private Limited)*  
801, Heritage Plaza, Telli Galli Cross Road,  
Andheri East, Mumbai – 400069.

Dear Sirs,

**Re: Proposed initial public offering of equity shares of face value of Rs. 10/- each (the “Equity Shares”) by the Company and such issuing, (the “Issue”).**

We hereby report that this certificate along with the annexure states the special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax[GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initialed for identification purposes only.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the said relevant provisions of the tax laws and regulations applicable to the Company. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions, which based on business imperatives, which the Company may or may not choose to fulfil or face in the future.

The benefits discussed in the enclosed Annexure cover the special tax benefits available to the Company and its shareholders but does not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure and its contents is the responsibility of the management of the Company and is not exhaustive. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company comprising a fresh issue of the Equity Shares by the Company. Neither we are suggesting nor advising the investors to invest money based on this Statement.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

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

- the Company and its shareholders will continue to obtain these special tax benefits in future; or
- the conditions prescribed for availing the special tax benefits where applicable, have been/ would be met with.

The contents of enclosed Annexures are based on the information, explanation and representations obtained from the Company including Income Tax Return of the Company and Form 10-IC filed with the Income tax department and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing

provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby consent for inclusion of this certificate or any extracts or annexures thereof, in full or part, in the Draft Red Herring Prospectus (DRHP), Red Herring Prospectus (RHP), and the Prospectus (Prospectus and together with DRHP and RHP, the "Offer Documents"), to be filed with the Registrar of Companies, Mumbai at Maharashtra (ROC) and submitted with Emerge platform of National Stock Exchange of India where the equity shares of the Company are proposed to be listed (the "Stock Exchange") with respect to the Issue, and in any other material used in connection with the Issue and may be relied upon by the Company, the Book Running Lead Manager and legal advisor appointed in relation to the Issue by the BRLM and the legal advisor in relation to the Issue.

SD/-

**For C B Mehta & Associates**  
**Chartered Accountants**  
**ICAI FRN.: 124978W**

**C B Mehta**  
**Proprietor**  
**Membership No.: 116543**  
**Place: Mumbai**  
**Date: February 25, 2025**  
**UDIN: 2116543BMJPFY4849**  
**Ref: C010/2025**

**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO AAKAAR MEDICAL TECHNOLOGIES LIMITED (“THE COMPANY”) AND IT’S SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

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

**1. Special Tax Benefits to the Company**

There are no Special Tax Benefits available to the Company, except section 115BAA.

Clause (1) Section 115BAA of the Income Tax Act, 1961 states the following

*“Notwithstanding anything contained in this Act but subject to the provisions of this Chapter, other than those mentioned under section 115BA and section 115BAB, the income-tax payable in respect of the total income of a person, being a domestic company, for any previous year relevant to the assessment year beginning on or after the 1st day of April, 2020, shall, at the option of such person, be computed at the rate of twenty-two per cent, if the conditions contained in sub-section (2) are satisfied:*

*Provided that where the person fails to satisfy the conditions contained in sub-section (2) in any previous year, the option shall become invalid in respect of the assessment year relevant to that previous year and subsequent assessment years and other provisions of the Act shall apply, as if the option had not been exercised for the assessment year relevant to that previous year and subsequent assessment years.”*

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

There are no Special Tax Benefits available to the shareholders of the Company.

**Notes:**

1. The above statement covers only certain relevant direct tax and indirect tax law benefits and does not cover any benefit under any other law.
2. The above statement of possible special tax benefits is as per the current direct and indirect tax laws.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

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

We hereby give our consent to include our above-referred opinion regarding the tax benefits available to the Company and to its shareholders in the offer document.

Sincerely,

SD/-

**For C B Mehta & Associates  
Chartered Accountants  
ICAI FRN.: 124978W**

**C B Mehta  
Proprietor  
Membership No.: 116543  
Place: Mumbai  
Date: February 25, 2025  
UDIN: 2116543BMJPFY4849  
Ref: C010/2025**

## SECTION IV – ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

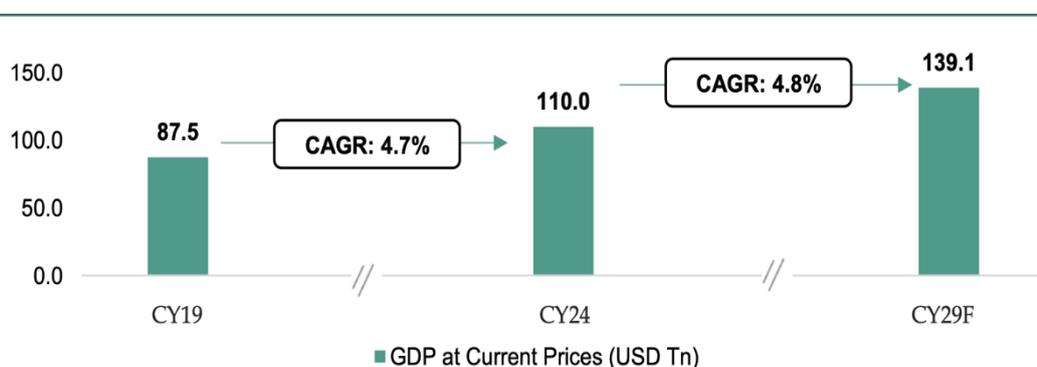
Unless otherwise indicated, the industry and market data contained in this Draft Red Herring Prospectus is derived from the “Ken Research Report”, which has been commissioned by our Company. We have received the consent to use the extracts from this report vide Consent Letter dated February 12, 2025. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Ken Research Report and included herein with respect to any particular year, refers to such information for the relevant calendar year.

#### A. GLOBAL MACROECONOMIC SCENARIO

The nominal GDP at a global level stood at USD 110.0 Tn in 2024 and witnessed a CAGR of 4.7% between 2019-2024. The same is expected to grow at a CAGR of 4.8% during 2024-2029 owing to the growth prospects in major economies driven by high government and private spending, rapidly subsiding inflation rates, and advanced economies easing their fiscal policies.

After a strong initial rebound from the depths of the COVID-19 pandemic, the pace of recovery has moderated. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, Russia’s war in Ukraine, and increasing geoeconomic fragmentation. Others are more cyclical, including the effects of monetary policy tightening necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events.

#### *Global GDP (at current prices) Outlook in USD Tn, 2019-2029F*



Source: World Economic Outlook, 2024 (IMF) & Ken Research Analysis

Note: F represents Forecasted figures; CY represents the Calendar Year ending on December 31

According to the International Monetary Fund (IMF)’s World Economic Outlook growth projections, the global economic growth for CY23 was 4.1% year-on-year (y-o-y), up from 3.8% in CY22 (**Error! Reference source not found.**) due to recovery from the COVID-19 pandemic, fiscal and monetary stimulus, stabilized supply chains, increased consumer spending, digital transformation, a rebound in international trade, and renewed business investments in technology and healthcare. The global economic growth for CY24 was 4.5%, attributed to growth resilience in major economies driven by high government and private spending, rapidly subsiding inflation rates, and advanced economies easing their fiscal policies. Global inflation declined steadily, from 6.2% in 2023 to 5.3% in 2024 and 4.0% in 2025.<sup>1</sup>

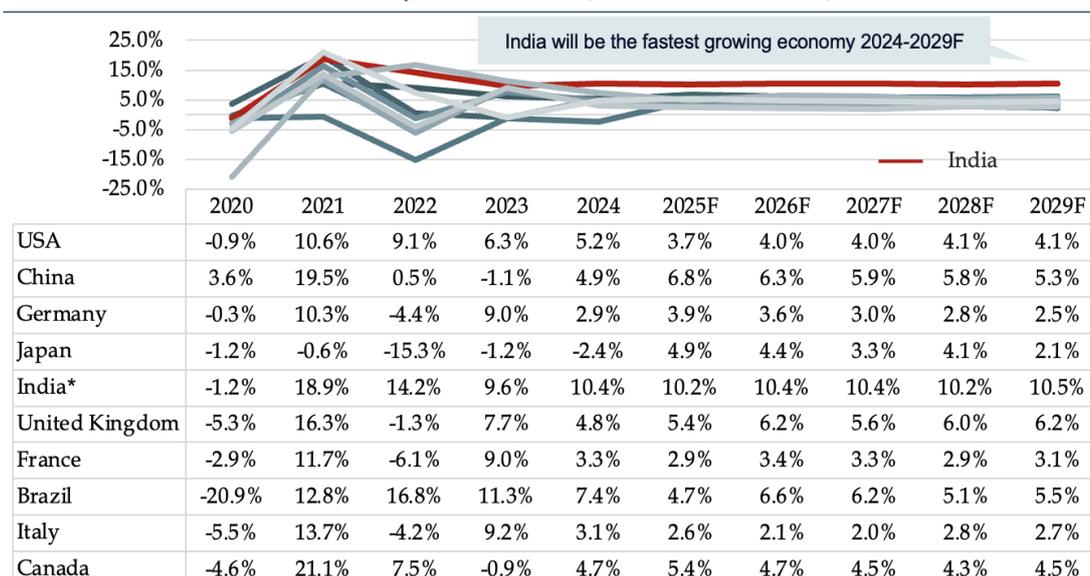
Besides, India stands out as the fastest growing economy among the major economies. **By CY27, the Indian economy is estimated to emerge as the third largest economy globally, hopping over Japan and Germany.**

India has shown a fair degree of resilience to the four Cs affecting the global economy — COVID-19, conflict (geopolitical), climate change, and central bank actions. Despite Covid-19’s impact, high

<sup>1</sup> International Monetary Fund

inflationary environment and interest rates globally, and the geopolitical tensions in Europe, India has been a major contributor to world economic growth. India is increasingly becoming an open economy as well through growing foreign trade. Despite the global inflation and uncertainties, Indian economy continues to show resilience. This resilience is mainly supported by stable financial sector backed by well-capitalized banks and export of services in trade balance. With this, the growth of Indian economy is expected to fare better than other economies majorly on account of strong investment activity bolstered by the government's capex push and buoyant private consumption, particularly among higher income earners.

### Trend in GDP Growth across Major Economies (Growth Rates, in %)



Source: Ken Research Analysis and World Economic Outlook, 2024 (IMF); Note: F represents Forecasted figures

\* Numbers for India are for Financial Year (Financial Year 2020-2021 is 2020 and so on) and as per IMF forecast.

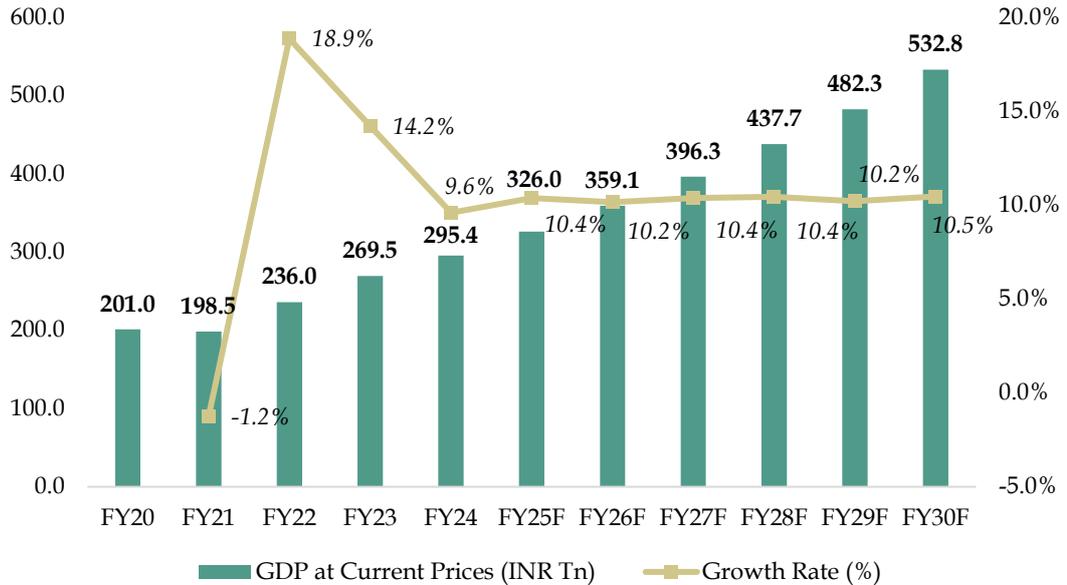
## B. INDIA MACROECONOMIC SCENARIO

**“India has emerged as the fastest-growing major economy in the world with nominal GDP growth rate of 10.4% witnessed in 2024, backed by its robust democracy and strong partnerships.”** India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative. In Financial Year 2022, the economy recovered from the pandemic-related stress as restrictions were eased and economic activity resumed, though inflation spiralled in the last quarter due to geopolitical pressures, with a GDP print of 18.9% vs -1.2% in Financial Year 2021. In Financial Year 2023, GDP rose 14.2% on strong growth momentum propelled by investments and private consumption. The share of investments in GDP rose to an 11-year high of 34% and that of private consumption to an 18-year high of 58.5%.<sup>2</sup>

In Financial Year 2024, nominal GDP grew at 9.6% and was reached INR 295.4 Tn - driven by continued strong investment and subdued private consumption growth. Nominal GDP, or GDP at current prices in the March quarter of Financial Year 2024, was INR 78.28 lakh crore, against INR 71.23 lakh crore in the year-ago period, showing a growth rate of 9.9% Additionally, India is expected to grow faster than China as well as the global average in CY2024.

<sup>2</sup> International Monetary Fund

**India's GDP (at current prices) Outlook, in INR Tn FY20-FY30F**

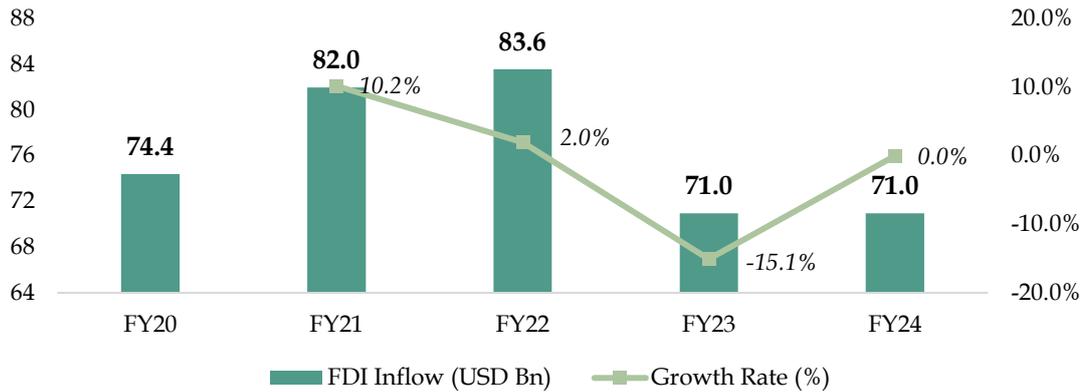


Source: Ministry of Statistics and Programme Implementation (MoSPI), World Economic Outlook, 2024 (IMF), Ken Research Analysis;

Note: F represents Forecasted figures, FY represents the Financial Year ending on March 31

**Growth Trend in Investment Demand**

**Foreign Direct Investment in USD Billion and Y-o-Y Growth Rates, FY20-FY24**



Source: Invest India, Make in India, Press Information Bureau & Ken Research Analysis

Note: FY represents the Financial Year ending on March 31

**“India is one of the most attractive FDI destinations in the world today with a total FDI inflow of USD 71 Bn in FY24.”** The Government has put in place an investor friendly Foreign Direct Investment (FDI) policy under which most sectors except certain strategically important sectors are open for 100% FDI under the automatic route.

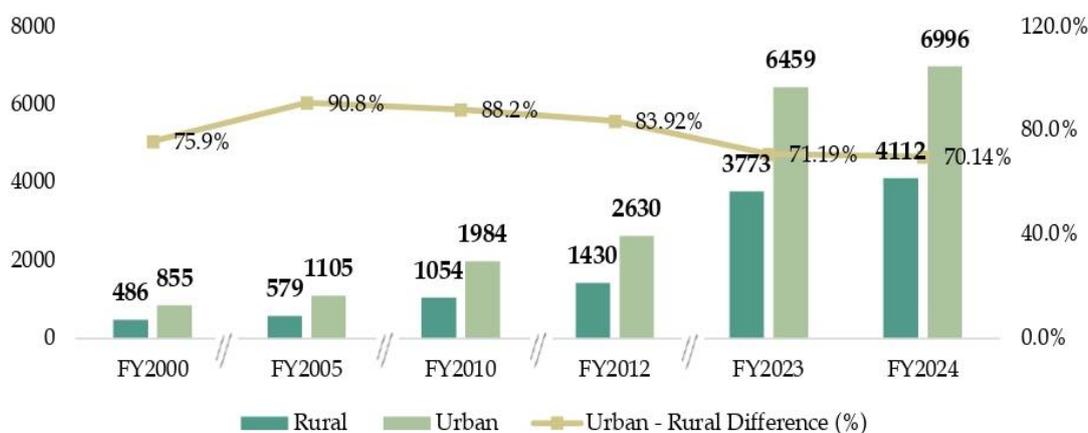
Measures taken by the Government on FDI Policy reforms have resulted in increased FDI inflow in the country. FDI inflow in India stood at USD 36 billion in 2013-14 and registered its highest ever annual FDI inflow of USD 84 billion in FY22. Total FDI inflows in the country in the FY 2023-24 is USD 70.95 Bn and FDI equity inflows stands at USD 44.42 Bn.

Singapore (26.6%), Mauritius (18%), USA (11.3%), Netherland (11%) and Japan (7.2%) emerge as top 5 countries for FDI equity inflows into India FY 2023-24.

**Private consumption in India is increasing and is anticipated to grow further**

Average estimated MPCE in FY2024 has been INR 4,112 in rural India and INR 6,996 in urban India. In rural India, food items account for 46% of the total MPCE, while in urban India, this share is 39%. The bottom 5% of India’s rural population, ranked by MPCE, has an average MPCE of Rs. 1,677 while it is Rs. 2,376 for the same category of population in the urban areas.

**Average Monthly Per Capita Consumption Expenditure (MPCE) in INR, Current Prices**

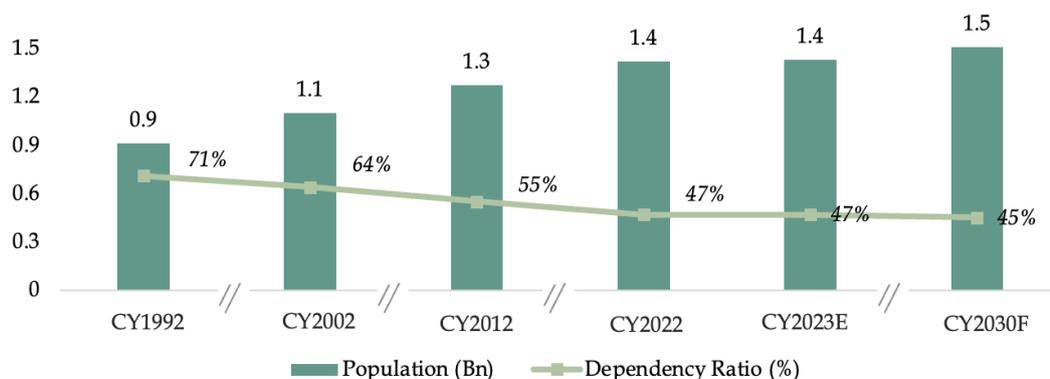


Source: Ministry of Statistics and Programme Implementation (MoSPI) & Ken Research Analysis  
 Note: FY represents the Financial Year ending on March 31

**India’s economic growth is supported by various demographic and other key drivers**

- India’s working-age population is expanding rapidly with the Age Dependency Ratio expected to fall to 45% by 2030:** The Age Dependency Ratio measures the number of dependents (individuals younger than 15 and older than 64) relative to the working-age population (ages 15 to 64). This ratio has been on a downward trend, dropping from a high of 76% in 1982 to 47% in 2022. This decline signifies an increasing share of the working-age population generating income, a positive indicator for economic growth. With a median age of 29, India boasts one of the youngest populations globally. Each year, a substantial number of young citizens enter the workforce, contributing to the potential for a significant demographic dividend.

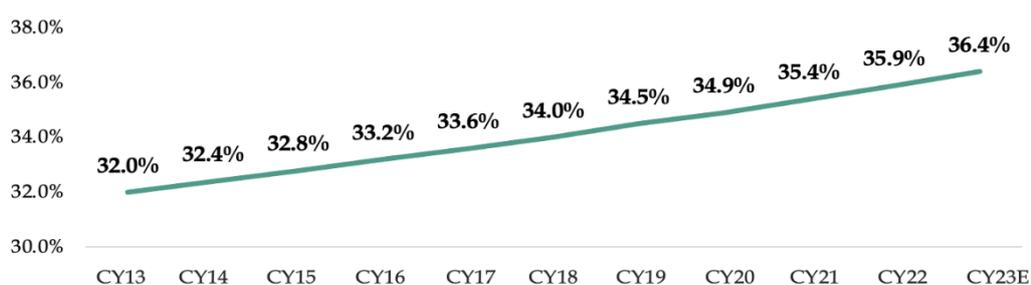
**Trend of Indian Population (in Bn) and vis-à-vis Dependency Ratio (%)**



Source: World Bank Database & Ken Research Analysis  
 Note: E stands for Estimated; F stands for Forecasted; CY represents the Calendar Year ending on December 31

- Urbanization is among the most significant growth engines for India, and is directly correlated with higher incomes:** The urban population is significantly growing in India. It is estimated to have increased from 403 million (31.6% of total population) in 2012 to 508 million (35.9% of total population) in the year 2022<sup>3</sup>. By 2036, India's towns and cities will be home to 600 million people, or 40% of the population, up from 31% in 2011, with urban areas contributing almost 70% to GDP<sup>4</sup>. Urbanization is central to India's growth story as urban areas are the core drivers of consumption. This is because urban areas have higher concentration of relatively higher income individuals, particularly among millennials and generation Z. Given the higher concentration of demand in these cities, the supply is also more abundant and diverse in these cities.

**Urbanization Trend (%) in India, CY 2013-2023E**

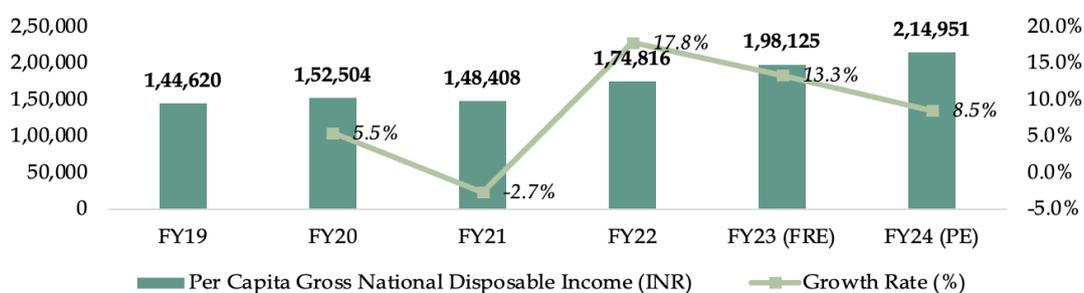


Source: World Bank Database & Ken Research Analysis

Note: E refers to Estimated figures; CY represents the Calendar Year ending on December 31

- Consumer demand in India expected to grow at healthy pace with rising per capita income and increasing middle-class and rich population:** Gross National Disposable Income (GNDI) is a measure of the income available to the nation for final consumption and gross savings. Between the period FY19 to FY24, per capita GNDI at current prices registered a CAGR of 8.2%. India's per capita Gross National Disposable Income, a broad indicator of living standards, rose from INR 198,125 in FY23 to INR 214,951 in FY24, logging a growth of 8.5%. Growth was driven by improved job opportunities, supported by overall GDP expansion. Increased disposable income leads to higher consumer spending, which in turn stimulates economic growth. As people have more money to spend, they purchase more goods and services, boosting demand and encouraging businesses to expand and hire more workers, creating a positive cycle of economic development.

**Per Capita Gross National Disposable Income (Current Price) in INR, FY19-FY24**



Source: MOSPI & Ken Research Analysis; Note: FRE: First Revised Estimates; PE: Provisional Estimates

Note: FY represents the Financial Year ending on March 31

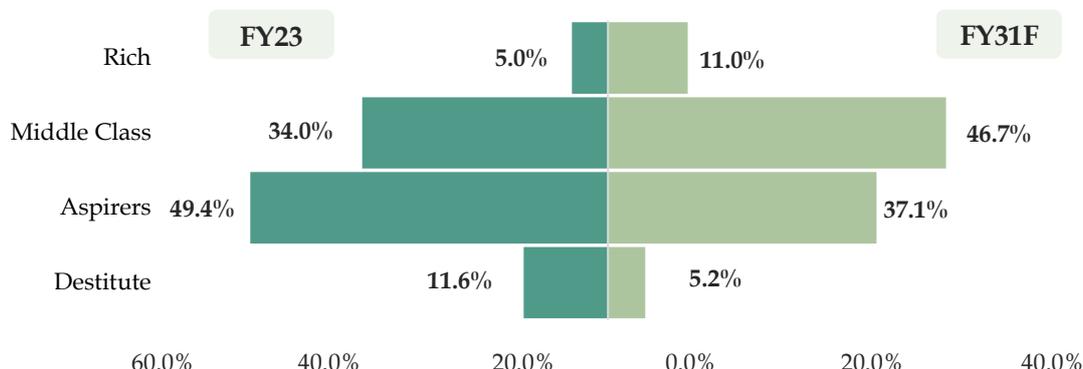
With incomes rising, there is significant upward mobility, with lower-income population increasingly shifting towards middle and high-class. The rich-income population is projected to grow the fastest, at

<sup>3</sup> Ministry of Housing and Urban Affairs

<sup>4</sup> World Bank

11.5% followed by middle-class population, at 5.0% annually between FY23 and FY31. This growth will broaden the target market for branded companies in the Indian medical aesthetics and cosmetic dermatology industry.

**Indian Population - Segmented by Income Levels, FY23 and FY31F**



Source: ICE 360° Survey and Ken Research Analysis

Note: F refers to Forecasted; FY represents the Financial Year ending on March 31

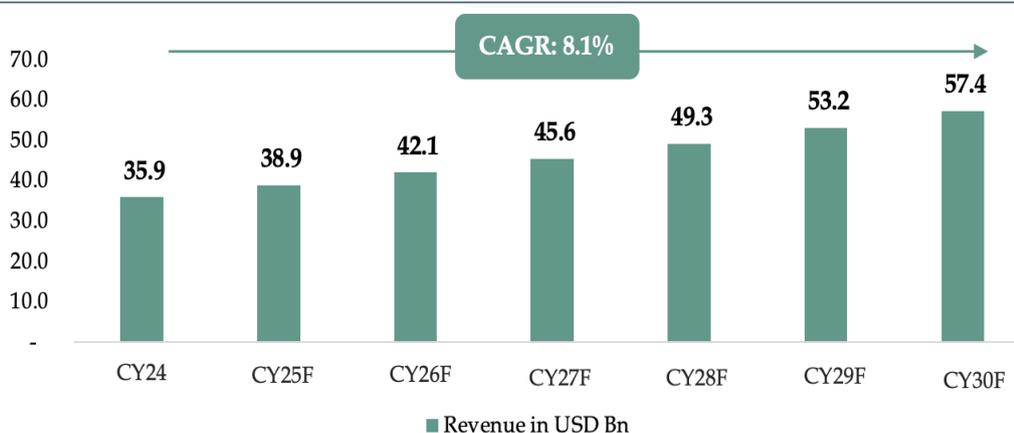
The **Destitutes** are defined as those earning less than INR 125,000 annually, representing the lowest income bracket. The **Aspirers** fall into the next tier, with annual earnings ranging from INR 125,000 to INR 500,000. Moving up the income ladder, the **Middle Class** encompasses individuals earning between INR 500,000 and INR 3,000,000 annually. Finally, the **Rich Class** includes those with annual earnings exceeding INR 3,000,000, representing the highest income group.

**C. GLOBAL MEDICAL AESTHETICS AND COSMETIC DERMATOLOGY MARKET**

The global medical aesthetics and cosmetic dermatology market was valued at USD 35.9 Bn in CY2024 and is projected to reach USD 57.4 Bn by CY2030; it is expected to register a CAGR of 8.1% during CY2024 - CY2030. The Medical Aesthetics and Cosmetic Dermatology has been growing rapidly in recent years, driven by increasing consumer awareness, technological advancements, and a widespread desire for a youthful appearance, and a growing aging population seeking anti-aging solutions.

The above market is the industry revenue for the products and devices sold to dermatologist, plastic surgeon and other practitioners. It does not include the Over the counter market

**Global Medical Aesthetics and Cosmetic Dermatology Market Size in Value (USD Bn), CY2024 - CY2030F**



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

Note: F represents Forecasted figures; CY represents the Calendar Year ending on December 31

Industry Revenue for the products and devices sold to dermatologist, plastic surgeon and other practitioners

Continuous research and development are leading to an influx of new products and treatments. Innovations such as energy-based devices, improved injectables, and advanced skincare products are enhancing treatment outcomes and patient satisfaction. The demand for dermatological or aesthetic products aimed at treating skin and hair conditions, preventing skin disorders, and maintaining overall skin health is also expected to grow at an exciting rate in the coming years. Inflammatory skin diseases such as acne, dermatitis, and psoriasis are being effectively treated with biologic agents or protein-based drugs, driving sales of both prescription and over-the-counter dermatological products. This segment is anticipated to experience a CAGR of around 8-9% in the near future.

The global medical aesthetics and cosmetic dermatology market is poised for significant growth, driven by increasing consumer awareness, technological advancements, and a widespread desire for a youthful appearance. There is a significant opportunity for growth in emerging markets like China, India, South Korea, where increasing disposable incomes and awareness of aesthetic procedures drive demand. This growth will create new opportunities for providers and patients alike, shaping the future of the medical aesthetics and cosmetic dermatology industry.

#### D. INDIA MEDICAL AESTHETICS AND COSMETIC DERMATOLOGY MARKET

The medical aesthetics and cosmetic dermatology industry in India gained recognition in the late 1990s when Indian dermatologists and plastic surgeons introduced specialized services after advanced training abroad. Initially, treatments like chemical peels, microdermabrasion, and basic laser procedures were offered. As technology advanced and costs decreased in the 21<sup>st</sup> century, cosmetic procedures became more accessible. The rise of the internet, social media, and celebrity endorsements boosted public trust and acceptance. Low medical fees in India also attracted international patients. Today, cosmetic dermatology in India includes a wide range of treatments like Botox, dermal fillers, advanced laser procedures, and hair restoration, offered by dedicated clinics and professionals.

The medical aesthetics and cosmetic dermatology industry in India has grown significantly from a niche market to a major sector. India is now one of the leading countries for aesthetic procedures, driven by changing perceptions and increasing demand among the affluent middle class. These procedures are now seen as advanced and affordable, with fewer risks.

The industry growth is also reflected in the rising prevalence rates of various dermatological conditions in India, which fuel demand for aesthetic and cosmetic treatments.

- **Hair Loss:** Hair loss is widespread in India, with androgenetic alopecia (male and female pattern baldness) being the most common type. **Around 50-60% of men aged 30-50 and 35-45% of women experience some degree of androgenetic alopecia in India<sup>5</sup>.** Other forms of hair loss, such as telogen effluvium, alopecia areata, and traction alopecia, also contribute to the high prevalence rates.
- **Skin Conditions:** In India, skin diseases are becoming increasingly prevalent due to many factors such as varied climate, genetic, age, overcrowding, nutrition habits, poor hygiene, and pollution.

Skin Condition	Prevalence (%), 2024	TAM in Population Terms (in Crores)
Acne	60-70% (adolescents); 20-30% (adults)	~35.0
Atopic dermatitis (eczema)	5-15%	~15.0
Psoriasis	1-2%	~2.0

Source: Industry Articles and Ken Research Analysis;

Note: CY represents the Calendar Year ending on December 31

- **Ageing Skin:** The geriatric population is prone to wrinkles, owing to which there is growing demand for toning, antiaging, and skin rejuvenation treatment to suppress the signs of aging.

<sup>5</sup> Indian Journal of Dermatology, Venereology and Leprology and Ken Research Analysis

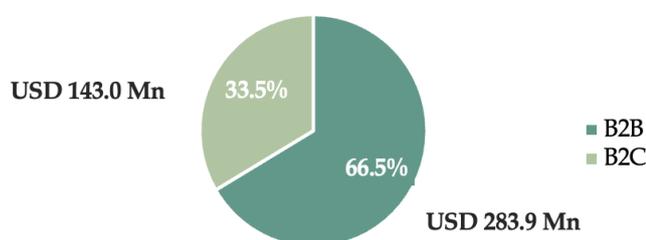
With increasing life expectancy, the prevalence of aging skin conditions has risen. The elderly population in India, currently at ~153 million (aged 60 and above), is projected to soar to 347 million by 2050. This demographic shift will see **the percentage of the elderly population rise from 10.5% in 2024 to 20.8% by 2050.**<sup>6</sup> This shift significantly impacts the demand for anti-aging treatments.

- Pigmentation Issues:** A large sample study across four Indian cities (Mumbai, Delhi, Kolkata, Chennai) revealed that **more than 80% of the population present skin color heterogeneity on the face, irrespective of age and gender.**<sup>7</sup> This heterogeneity mainly results from hyper-pigmented spots, melasma and ill-defined pigmented macules and dark circles.

### **SEGMENTATION OF THE INDIA MEDICAL AESTHETICS AND COSMETIC DERMATOLOGY MARKET**

Within the Indian Medical Aesthetics and Cosmetic Dermatology market, products and devices can be broadly classified into two segments basis distribution channel: (i) Products and Devices sold through Aesthetic Doctors, which can be termed as the B2B market and (ii) Products and Devices sold over the counter, which can be termed as the B2C market.

#### **Overall India Medical Aesthetics and Cosmetic Dermatology split on the basis of Business Model, CY2024**



Source: Ken Research Analysis

Note: B2B refers to the sale of aesthetic lasers and energy devices, skincare and facial care products, haircare dermacosmetic products, peels, injectables, and more to dermatologists, plastic surgeons, or other practitioners who either sell these products to end-users or use them in their procedures. B2C refers to the sales of these products and devices directly to end-user consumers through retail channels.

Note: CY represents the Calendar Year ending on December 31

#### **Cosmetic Dermatology Products(B2B) vs Over-The-Counter(B2C) Products**

Basis	Cosmetic Dermatology Products	Over The Counter Products
Safety Profile	Typically prescribed by dermatologists/aestheticians catering to individual needs, Monitored for adverse effects	Generally recognized as safe for widespread use, less stringent regulatory oversight, User should follow instructions carefully
Cost	Higher cost due to specialized ingredients, consultation cost is also associated	More affordable, easily accessible without additional costs
Accessibility	Available through prescription, Limited to dermatology/aesthetic clinics or hospitals	Available in pharmacies, supermarkets, and online and across other retail platforms
Targeted condition	Specific hair and skin conditions like acne, psoriasis, eczema,	General issues like dry skin, sunburn, minor cuts; generic solutions

<sup>6</sup> United Nations Population Fund's India Ageing Report 2023

<sup>7</sup>Indian Journal of Dermatology

Basis	Cosmetic Dermatology Products	Over The Counter Products
	customizable treatments	
Usage Duration	Often used for a specified treatment period, Requires follow-up with a dermatologist or aesthetician	Can be used regularly as part of daily routine, no medical follow-up required
Side Effects	Potential for significant side effects and therefore requires monitoring by a healthcare provider	Minimal to mild side effects, self-monitored

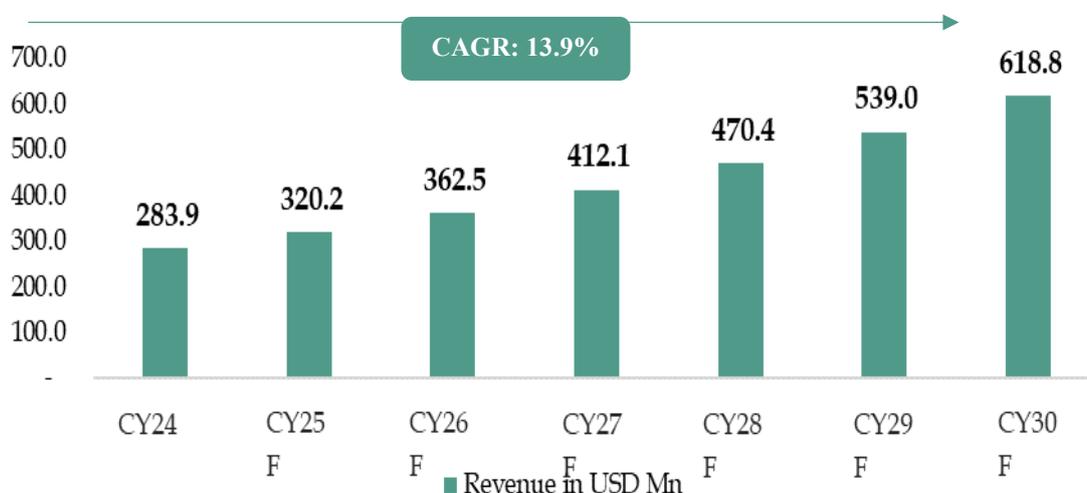
Source: Ken Research Analysis

### Market Size And Segmentation (B2b Medical Aesthetics And Cosmetic Dermatology Market)

The Indian medical aesthetics and cosmetic dermatology market generated a revenue of USD 283.9 Mn in CY2024 and is expected to grow at a CAGR of 13.9% during the forecasted period to generate a revenue of USD 618.8 Mn in CY2030

The size of USD 283.9 Mn is the industry revenue for the products and devices sold to dermatologist, plastic surgeon and other practitioners.

### Medical Aesthetics and Cosmetic Dermatology Industry Revenue in India in Value (USD Mn) and Y-o-Y Growth Rates (%), CY2024 - CY2030F



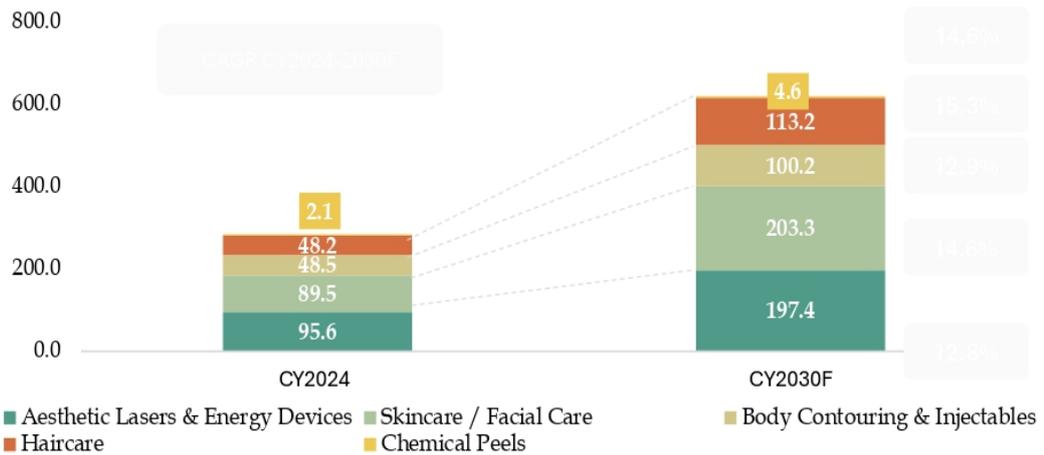
Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

Note: F represents Forecasted figures; CY represents the Calendar Year ending on December 31

### Market Segmentation by Key Products:

The Indian Medical aesthetic and cosmetic dermatology market, by type, is segmented into products and devices. Products segment is further bifurcated into four key categories: Skincare/Facial Care, Haircare, Body Contouring & Injectables, Chemical Peels. In 2024, Aesthetic Lasers and Energy Devices held the largest share of 33.7% of the market.

### Medical Aesthetics and Cosmetic Dermatology Market Size in India in Value (USD Mn) by Type of Products and Devices Offered, CY2024 & CY2030F



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis  
Industry Revenue for the products and devices sold to dermatologist, plastic surgeon and other practitioners

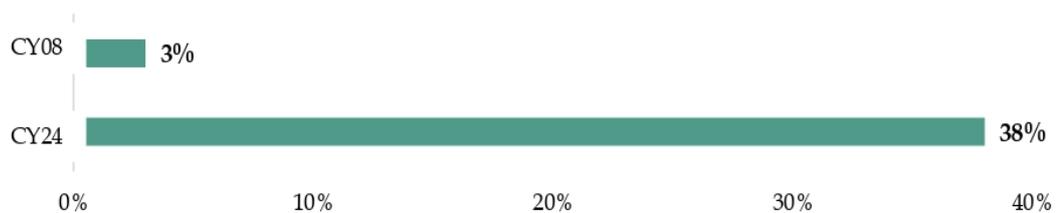
## E. KEY TRENDS IN THE MARKET

### 1. Expansion of Distribution Channels

The expansion of distribution channels in India's medical aesthetics & cosmetic dermatology market is being driven by geographic and operational expansions, strategic acquisitions, clinic partnerships, and the rise of e-commerce. These efforts are collectively enhancing product accessibility, consumer trust, and market penetration in the sector.

**Players in the Indian medical aesthetics and cosmetic dermatology market are forming more and more partnerships with dermatology or aesthetic clinics to increase product adoption and build consumer trust.** Geographic expansion is another significant trend, with companies setting up operations or expanding their distributorship in Tier II and Tier III cities. The rising awareness and disposable incomes in these regions are driving demand, prompting companies to open new retail outlets, expand distribution networks, and launch targeted marketing campaigns to capture this growing market segment. Besides, dermatologist recommendations significantly influence customer purchase behaviour by enhancing trust and credibility. When dermatologists or aestheticians endorse specific products, customers are more likely to perceive them as safe and effective, leading to increased confidence in their purchasing decisions. This professional endorsement can drive higher sales and brand loyalty, as customers value expert opinions in their skincare choices.

#### Impact of Dermatologist Recommendations on Customer Purchase Behavior (%), 2008 & 2024



Source: Ken Research Analysis;  
Note: CY represents the Calendar Year ending on December 31

### 2. Emphasis on Personalized Skincare

Tailored formulations and advanced diagnostic tools enhance skincare effectiveness and patient satisfaction. AI-powered skin analysis and DNA testing enable precise product recommendations, making personalized skincare accessible. This trend aligns with a broader movement towards

customization in consumer products, driven by individual wellness goals. Dermatologists integrate these tools to create bespoke skincare regimens, including injectable fillers and PRP for hair growth, tailored to specific patient needs. This personalized approach not only improves outcomes but also boosts patient satisfaction and loyalty in the medical aesthetic and cosmetic market.

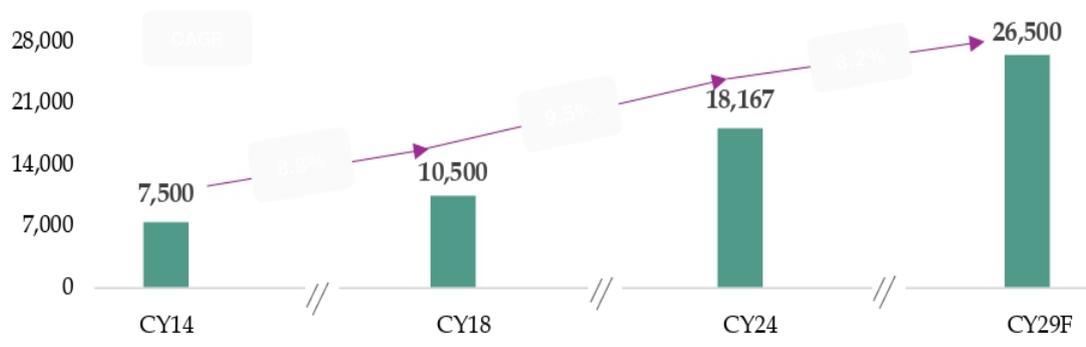
### 3. *Integration of Technology in Dermatology*

Technological integration in dermatology continues to advance with non-invasive and minimally invasive procedures like laser therapy, radiofrequency treatments, and ultrasound. These methods address skin tightening, wrinkle reduction, and scar revision without surgery, offering faster recovery and fewer side effects compared to traditional approaches.

### 4. *Growth in Dermatology Practice in the Country*

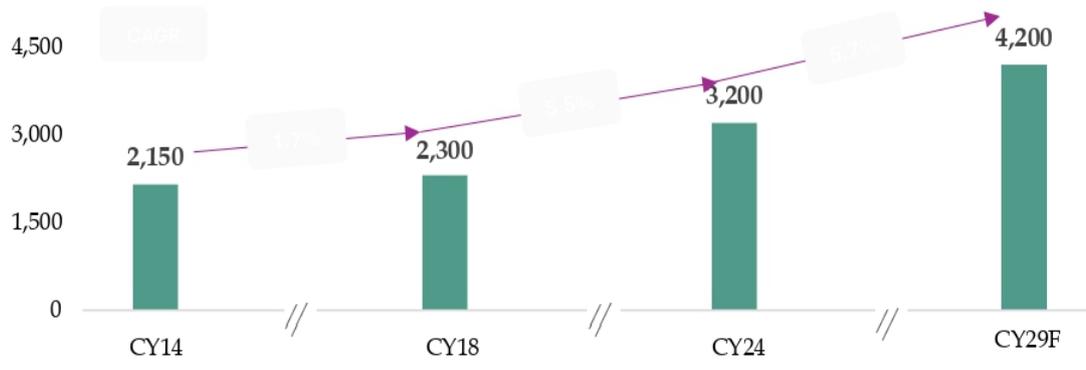
**In 1991, the Ministry of Health and Family Welfare estimated that there were about 2,000 dermatologists in India, serving a population of 843 million.** This equated to 1 dermatologist per 4,20,000 people. By 2024, the number of dermatologists has increased to approximately 18,167. The country also boasts 3,200 practicing plastic surgeons, with a notable increase in those specializing exclusively in aesthetic surgery. Additionally, there are around 7,200 Oral and Maxillofacial surgeons, showing a CAGR of 1.5-2% over the past 6-7 years. The proliferation of dermatology clinics in major cities like Mumbai, Delhi, and Bangalore extends to tier- 2 and tier-3 cities, enhancing accessibility to dermatological services nationwide.

*Number of Dermatologists in India and Growth over the years*



Source: Industry Articles & Ken Research Analysis;  
 Note: F refers to Forecasted; CY represents the Calendar Year ending on December 31

*Number of Plastic Surgeons in India and Growth over the years*



Source: International Society of Aesthetic Plastic Surgery (ISAPS);  
 Note: F refers to Forecasted; CY represents the Calendar Year ending on December 31

Major metropolitan cities like Mumbai, Delhi, and Bangalore have seen a mushrooming of dermatology and aesthetic clinics, catering to an ever-growing clientele seeking both medical and aesthetic treatments. The expansion is not limited to urban areas; tier-2 and tier-3 cities are also experiencing a surge in aesthetic clinics, making these services more accessible to a broader population. This geographic spread is crucial as it indicates a democratization of dermatological care, with quality services reaching previously underserved areas.

## 5. *Growth in Doctor-prescribed Nutraceuticals*

The Indian nutraceutical market, valued at USD 7 billion, has seen rapid expansion, spurred by heightened health consciousness during the COVID-19 pandemic. **Around 45-50% of this market is driven by the doctor prescriptions.** Dermatologists are integrating nutraceuticals into skincare for enhanced outcomes, emphasizing holistic approaches that combine external treatments with internal support through targeted nutrition. This trend underscores a shift towards personalized skincare regimens that address individual skin concerns comprehensively, promoting not only aesthetic improvements but also long-term skin health and resilience.

### *India Doctor-Prescribed Nutraceuticals Market Size in USD Bn, 2023 & 2028F*



Source: Ken Research Analysis;

Note: F refers to Forecasted figures; CY represents the Calendar Year ending on December 31

## F. **KEY GROWTH DRIVERS**

### 1. *Consumer Demographics & Preferences*

The wide range of demographic groups and their diverse treatment needs provide the ideal scenario for growth in all categories of the market.

- Urbanization has played a significant role, as city dwellers seek to improve their appearance and boost their confidence in highly competitive social and professional environments.
- Millennials and Generation Z, in particular, are more open to exploring and investing in cosmetic treatments. They are increasingly turning to non-invasive treatments like chemical peels, dermal fillers, and laser therapies that promise quick results with minimal downtime. Older adults in India are also seeking treatments that offer anti-aging benefits, such as Botox, skin tightening, and pigmentation correction.
- India's middle-class population, which is projected to reach 475 Mn by 2030 from 200 Mn in 2020<sup>8</sup>, is more willing to spend on aesthetic treatments that were once considered luxury.
- There is also a growing interest from the male segment for the aesthetic procedures like laser hair rejuvenation/reduction, medical facials, Botox, fillers, facelifting and more. By 2040, it is anticipated that the ratio of male to female clients will range from 35% to 65%<sup>9</sup>, against 15% to 85% in 2023.

<sup>8</sup> Association of Asian Studies

\* For those in the middle classes, the earnings typically lie in the range of US \$10 to \$100 per day, as expressed in the 2015 purchasing power parities

<sup>9</sup> Wio News

## 2. Rise in Skin Disorders & Diseases

Urbanization brings about higher levels of pollution, including air pollution, UV radiation, heavy metals, and particulate matter. These environmental stressors have detrimental effects on the skin, leading to issues such as premature aging, dullness, dehydration, and exacerbation of skin conditions like acne, eczema, psoriasis, rosacea, and hyperpigmentation. The rising incidence of these skin disorders contribute to the demand for dermatologist-recommended dermo cosmetic products or aesthetic treatments.



Source: Industry Articles & Ken Research Analysis

## 3. Medical Tourism and Globalization

7.3 million medical tourists are expected to visit India in 2024<sup>10</sup> driven by factors such as top-notch healthcare infrastructure, skilled medical professionals, and cost-effective treatment options. India has become a preferred destination for medical tourists seeking affordable, high-quality aesthetic treatments.

**Figure 1: Number of Medical Tourists (in Lakhs) visiting India and Y-o-Y Growth Rates (%), 2019-2024E**



Source: Ministry of Tourism, GoI & Ken Research Analysis; Note: E refers to estimated figures

With advanced healthcare infrastructure and skilled aestheticians, India offers treatments like hair transplants, cosmetic surgeries, and skin rejuvenation at up to 30–50% lower costs than Western countries. Collaborations with international providers and government initiatives like 'Heal in India' further promote India's medical tourism, enhancing credibility and visibility.

<sup>10</sup> Ministry of Tourism

**Table 1: Cost Comparison of Major Aesthetic/Cosmetic Procedures/Treatments between India and USA in USD**

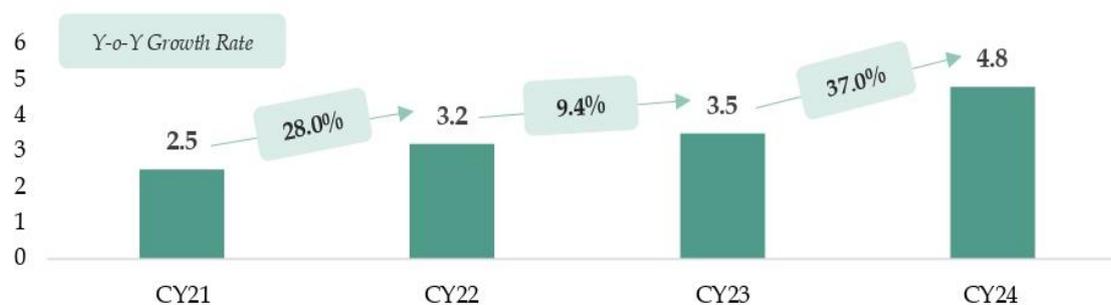
Procedure/Treatment	India	USA
Botox	100-500	300-1000
Non-Surgical Skin Tightening	50-2000	100-3000
Hyaluronic Acid Dermal Filler	200-500	700-1200
Chemical Peel	30-300	200-800

Source: Interviews with Industry Experts, Industry Articles and Ken Research Analysis

#### 4. Weddings-Driven Demand for Aesthetic Procedures and Products

India has witnessed a significant increase in the number of marriages, contributing to the burgeoning demand for aesthetic and cosmetic procedures. **Around 25% of the world's marriages happen in India every year.** During India's highly anticipated wedding season, spanning from November 23 to December 15, 2023, a survey conducted by the Confederation of All India Traders (CAIT) highlighted significant economic projections. It anticipated approximately 3.5 million weddings during this 23-day period, with an estimated expenditure and service outlay totalling US\$ 57.2 billion. Comparatively, the preceding year saw 3.2 million weddings in India within the same timeframe, amounting to approximately US\$ 45.2 billion in expenditures. This reflects a 9% increase in the number of weddings and a notable 26% rise in total expenditure year-over-year.

**Number of Weddings in India in November-December in Million, 2021-2024**



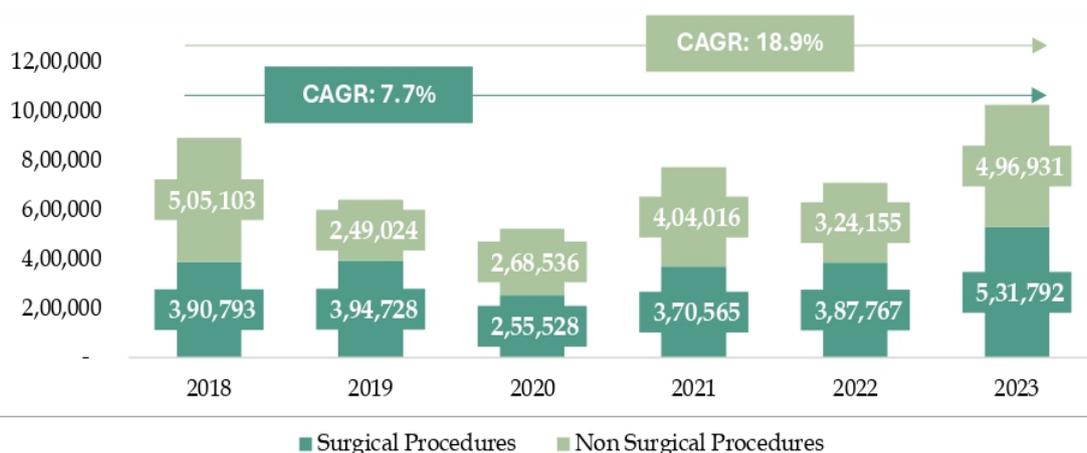
Source: Confederation of All India Traders; Note: CY represents the Calendar Year ending on December 31

#### 5. Technological Advancements in Aesthetic Procedures

Innovations in laser and energy-based devices have revolutionized aesthetic treatments, making them more efficient, less invasive, and with shorter recovery times. These advancements have expanded services, attracting a broader clientele. Non-surgical procedures like body contouring, laser hair removal, and skin rejuvenation are popular for their efficacy, minimal downtime, and lower risk. Injectables like Botox and dermal fillers offer quick, effective improvements, reducing wrinkles and enhancing facial contours.

Non-invasive facial rejuvenation treatments, such as chemical peels, microdermabrasion, and laser resurfacing, address acne scars, pigmentation, and fine lines. Technologies like RF treatments, ultrasound-based therapies, and cryolipolysis provide body contouring and skin tightening without surgery. Between 2018 and 2023, non-surgical procedures grew at a CAGR of 18.9%, while surgical procedures grew at 7.7%, highlighting the preference for non-surgical options.

**Figure 2: Number of Surgical and Non-Surgical Aesthetic Procedures Performed in India, 2018-2023**



Source: International Society of Aesthetic Plastic Surgery (ISAPS)

Note: Surgical aesthetic procedures involve invasive techniques that require incisions and typically involve a longer recovery period. Common surgical aesthetic procedures include: Rhinoplasty, liposuction, facelift and more. Non-surgical aesthetic procedures involve minimally invasive or non-invasive techniques that do not require significant incisions or anesthesia and typically have shorter recovery times. Common non-surgical aesthetic procedures include laser hair removal, botox, dermal fillers and more.

Note: CY represents the Calendar Year ending on December 31

## 6. Influence of Social Media and Celebrity Endorsements

The influence of social media and celebrity endorsements is a powerful catalyst in the expansion of India’s medical aesthetic and cosmetic dermatology market. **Influencer marketing in India is expected to surge by 25% in 2024, reaching INR 2,344 crore, and further expand to INR 3,375 crore by 2026. The growth of influencer marketing is anticipated to be driven by lifestyle, fashion, and beauty categories.**<sup>11</sup>

Platforms like Instagram and YouTube promote treatments through influencers and celebrities, normalizing and reducing the stigma around these procedures. Celebrity endorsements add credibility and aspirational value, significantly influencing public opinion. This trend creates an informed consumer base actively seeking effective aesthetic solutions. Clinics leverage social media marketing, virtual consultations, and real-time results to drive market growth. Celebrities have reportedly undergone cosmetic treatments in terms of fillers and Botox either to erase their wrinkle lines or to enhance their features and boost confidence.

## G. MARKET CHALLENGES

### 1. Competitive Pricing among Incumbents

As the market for aesthetic treatments expands, competition among clinics and practitioners has intensified globally, leading to adoption of competitive pricing strategies. While this trend makes treatments more accessible, it challenges clinics to maintain profitability and high standards of care. New entrants, including international and low-cost providers, exacerbate this issue, especially in price-sensitive markets like India. To stay competitive, clinics may resort to cost-cutting measures, affecting suppliers who may need to offer budget-friendly options. However, in the premium category of cosmetic dermatology products, where effectiveness is a key differentiator and the benefits are well understood, price competition is less intense. Nevertheless, pricing pressure remains a common challenge in the market for mass-market products, potentially compromising product quality and innovation. This situation requires balancing affordability with maintaining high standards and innovation.

<sup>11</sup> EY - [The State Of Influencer Marketing in India](#)

## 2. *Safety Concerns and Adverse Effects*

**As the popularity of aesthetic procedures grows, so does the incidence of complications arising from these treatments.** Invasive and non-invasive procedures alike carry risks, including infections, scarring, and unintended aesthetic outcomes. Patients' concerns about these risks can deter them from seeking treatments.

## 3. *Heavy Reliance on Imports for Devices*

**India's medical aesthetic industry relies heavily on imports especially for devices.** The dependency on imported devices makes the market vulnerable to supply chain disruptions, as seen during events like the COVID-19 pandemic. Regulatory compliance adds another layer of complexity, as imported medical/aesthetic devices must meet local standards and certifications, which can sometimes delay the introduction of new technologies.

## H. MARKET THREATS

### 1. *Counterfeit Products*

The demand for aesthetic treatments has led to a surge in the availability of counterfeit injectables, skincare products, and aesthetic devices. These fake products often mimic well-known brands but lack the efficacy and safety standards of genuine products, posing serious health risks to patients. These products are typically sold at lower prices, making them attractive to budget-conscious consumers and unscrupulous practitioners looking to maximize profit margins.

The medical aesthetic device industry faces a challenge from unregulated devices being imported into the country as cosmetic tools. In 2023 alone, approximately 5000 such devices were sold in the Indian market.<sup>12</sup> Mostly comprising medical-grade facial machines such as HydraFacial machines and tattoo removal devices, these products are primarily bought by small salons in tier 2 and tier 3 cities. This trend highlights a concerning issue of unregulated equipment usage outside of licensed medical environments.

### 2. *Supply Chain and Quality Control Challenge*

The reliance on global supply chains for key ingredients and high-end cosmetic dermatology products poses a significant challenge in India's medical aesthetics market. Many advanced formulations and devices require specialized materials that must be imported from countries like the U.S., Europe, and South Korea. Besides, clinics have also exhibited an upsurge in demand for high end cosmetic dermatology products from reputed brands, which are not readily available in India. This dependence exposes suppliers to risks from international trade policies, currency exchange rates, and geopolitical tensions, which can disrupt supply and increase costs. The COVID-19 pandemic highlighted these vulnerabilities, causing shortages due to shipping restrictions and production slowdowns. Additionally, variability in raw material quality, especially when sourced from multiple suppliers, can lead to inconsistencies in product efficacy and safety, potentially harming brand reputations.

### 3. *Lack of Regulatory Oversight*

There remains regulatory gap in India which allows the proliferation of counterfeit and subpar products, undermining consumer trust and the industry's overall quality standards. It also allows unqualified practitioners, non-certified clinics, to operate in the market, increasing the risk of unsafe practices and substandard treatments. The laser skin tightening treatment cost in India can be as low as 20 USD, but most of them are ineffective and are recommended by unqualified skin specialist.<sup>13</sup> Unregulated sales channels, including online platforms, make it easy for these inferior products to reach consumers and practitioners. The lack of oversight also hampers the ability to track and address adverse effects promptly, further compromising patient safety and resulting in lack of trust and hesitation in seeking aesthetic

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<sup>12</sup> Interview with Industry Experts and Ken Research Analysis

<sup>13</sup> Interview with industry Experts

treatments.

## I. REGULATORY SCENARIO

In India, the regulation of surgical and non-surgical aesthetic procedures is primarily overseen by the **National Medical Commission (NMC)** and other relevant government bodies. The import, manufacturing, sale and distribution of devices, drugs and cosmetics is regulated by **Central Drugs Standard Control Organisation**. Under the Drugs and Cosmetics Act, CDSCO is responsible for approval of Drugs, Conduct of Clinical Trials, laying down the standards for Drugs and Cosmetics, control over quality of imported Drugs in the country & coordination of activities of State Drug Control Organizations by providing expert advice with view of bring about the uniformity in the enforcement of the Drugs & Cosmetics Act. CDSCO exercises the regulation of drugs, cosmetics and devices through its eleven port offices which are situated throughout the country. The following acts/rules governs the manufacture, import and sale of drugs and cosmetics in the country.

## J. COMPETITIVE LANDSCAPE

In terms of competition, the medical aesthetic and cosmetic dermatology market comprises a **diverse array of companies ranging from well-established global brands to emerging local players**. The competition intensity in this market is high, with companies continually striving to differentiate themselves through product innovation, quality, and service.

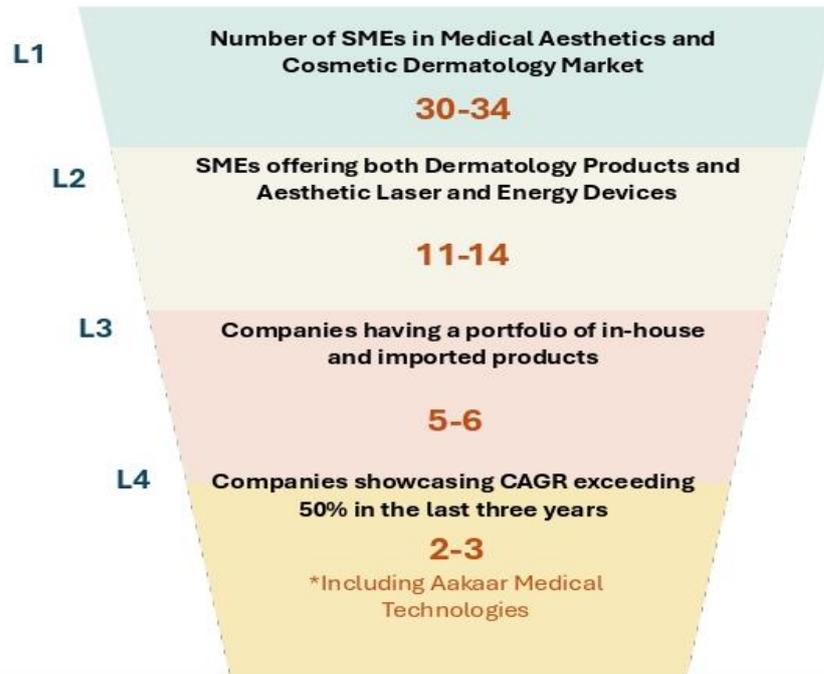
International companies often enter the Indian market through subsidiaries or partnerships with local firms to navigate the regulatory landscape and leverage established distribution networks. Notable foreign brands like Allergan, Alma, Galderma have significant presence and compete through high-quality, innovative products and strong brand recognition. Domestic companies also play a crucial role in the market, with firms like Skinnovation, Kaya, Dr. Reddy's Laboratories making significant contributions. These companies benefit from a deep understanding of the local market, consumer preferences, and regulatory environment. They often adopt aggressive marketing strategies, competitive pricing, and extensive distribution networks to maintain their market share. Moreover, these firms are increasingly investing in research and development to innovate and offer products tailored to Indian skin and hair types. **This competitive landscape thrives on increasing awareness and acceptance of aesthetic treatments among the Indian populace, driving substantial market growth and continuous innovation across the sector.**

### 1. Dynamics in Medical Aesthetics and Cosmetic Dermatology Market and Positioning of Aakaar Medical Technologies

There are approximately 30-34 SMEs, which are actively operating in the medical aesthetics and cosmetic dermatology market in India. As we refine our focus with additional criteria, the number of viable players quickly narrows. For instance, among these, 11 to 14 companies specialize in offering both Cosmetic Dermatology Products and Aesthetic Laser and Energy Devices.

Given the market's heavy reliance on imports, with around 90% of devices sourced from outside India, only 5-6 players have successfully curated a portfolio that includes both imported products and proprietary in-house offerings. Furthermore, a select group of 2 to 3 companies have demonstrated a remarkable CAGR exceeding 50% over the past three years (FY20-FY23).

***Overview of Companies in Medical Aesthetics and Cosmetic Dermatology Market and positioning of Aakaar Medical Technologies***



Source: Ken Research Analysis

Note: SMEs, or Small and Medium-sized Enterprises, refer to businesses within the medical aesthetics and cosmetic derma market generating revenues from more than 5 crores to less than 250 crores.

## 2. Overview of the Major Players in Indian Medical Aesthetic and Cosmetic Dermatology Market

### Heatmap of Major Players in Medical Aesthetic and Cosmetic Dermatology Market of India

Company	Type of offerings		Type of Products and/or Devices Offered				
	Products	Devices	Facial Aesthetics	Body Contouring & Injectables	Hair Removal	Tattoo Removal	Nail Treatment
Allergan India	Green	Green	Green	Green	Green	Red	Red
Alma Medical	Green	Green	Green	Green	Green	Green	Green
Skinnovation	Green	Green	Green	Green	Green	Red	Red
Spectra Medical	Green	Green	Green	Green	Green	Green	Red
Inmode India	Red	Green	Green	Green	Green	Green	Red
Lumenis BE (India)	Red	Green	Green	Green	Green	Green	Red
Galderma India	Green	Red	Green	Green	Red	Red	Green
Cosderma Cosmetology	Green	Green	Green	Green	Green	Green	Red

Company	Type of offerings		Type of Products and/or Devices Offered				
	Products	Devices	Facial Aesthetics	Body Contouring & Injectables	Hair Removal	Tattoo Removal	Nail Treatment
BTL India	Red	Green	Green	Green	Red	Red	Red
Leader Medical Systems	Red	Green	Green	Green	Red	Red	Red
Fluence Pharma	Green	Red	Green	Green	Red	Red	Green

Source: Ken Research Analysis

Note: 'Green' indicates the company offers the product/device, while 'Red' signifies it does not

### 3. Financial Snapshot of Major Players

(₹ in Lakhs, unless otherwise stated)

Financial Parameters	Alma Medical	Skinnovation	Spectra Medical	Fluence Pharma
<b>FY2021</b>				
Total Revenue	22.3	25.4	47.0	15.7
PAT	(2.4)	(0.04)	5.2	3.3
EBITDA	(2.3)	0.5	8.0	4.6
Operating Profit Margin (ROS)	(10.7%)	0.5%	15.6%	28.9%
EBITDA Margin	(10.4%)	1.9%	16.9%	29.3%
<b>Net Profit Ratio</b>				
PAT/Net Sales	(10.8%)	(0.1%)	11.0%	21.4%
<b>Debt to Equity Ratio</b>				
Debt	81.9	33.0	26.5	6.2
Equity	(20.8)	4.1	18.7	9.4
Debt/Equity	(3.9)	8.1	1.4	0.7
<b>Return on Equity Ratio</b>				
PAT/Stakeholder Equity	N/A	-0.9%	27.6%	35.5%
<b>Return on Capital Employed</b>				
EBIT/Shareholder Equity & Total Liabilities	(3.9%)	0.3%	16.2%	29.0%
EBIT	(2.4)	0.1	7.3	4.5
Shareholder Equity & Total Liabilities	61.1	37.0	45.2	15.6
Net Worth	(20.8)	4.1	18.7	9.4
<b>FY2022</b>				
Total Revenue	46.9	50.7	75.4	28.2
PAT	(2.6)	1.6	9.6	7.3
EBITDA	(2.4)	2.6	14.1	10.1
Operating Profit Margin (ROS)	(5.6%)	4.3%	18.0%	35.1%
EBITDA Margin	(5.1%)	5.2%	18.7%	35.8%
<b>Net Profit Ratio</b>				
PAT/Net Sales	(5.6%)	3.2%	12.8%	26.1%
<b>Debt to Equity Ratio</b>				
Debt	84.5	40.9	25.2	7.1
Equity	(23.4)	6.6	28.3	16.8
Debt/Equity	(3.6)	6.2	0.9	0.4
<b>Return on Equity Ratio</b>				
PAT/Stakeholder Equity	N/A	24.3%	34.0%	43.8%
<b>Return on Capital Employed</b>				

<b>Financial Parameters</b>	<b>Alma Medical</b>	<b>Skinnovation</b>	<b>Spectra Medical</b>	<b>Fluence Pharma</b>
EBIT/Shareholder Equity & Total Liabilities	(4.3%)	4.5%	24.8%	41.4%
EBIT	(2.6)	2.2	13.3	9.9
Shareholder Equity & Total Liabilities	61.1	47.6	53.5	23.8
Net Worth	-23.4	6.6	28.3	16.8
<b>FY2023</b>				
Total Revenue	69.4	89.0	114.6	32.3
PAT	(2.8)	5.7	12.2	8.5
EBITDA	(2.5)	8.4	18.0	11.7
Operating Profit Margin (ROS)	(4.1%)	8.9%	14.8%	35.8%
EBITDA Margin	(3.6%)	9.4%	15.8%	36.4%
<b>Net Profit Ratio</b>				
PAT/Net Sales	(4.0%)	6.4%	10.6%	26.3%
<b>Debt to Equity Ratio</b>				
Debt	109.3	49.0	39.0	7.1
Equity	(26.2)	12.3	40.4	25.3
Debt/Equity	(4.2)	4.0	1.0	0.3
<b>Return on Equity Ratio</b>				
PAT/Stakeholder Equity	N/A	46.3%	30.2%	33.6%
<b>Return on Capital Employed</b>				
EBIT/Shareholder Equity & Total Liabilities	(3.4%)	12.9%	21.3%	21.3%
EBIT	(2.8)	7.9	16.9	16.9
Shareholder Equity & Total Liabilities	83.1	61.3	79.3	79.3
Net Worth	(26.2)	12.3	40.4	25.3
<b>FY2024</b>				
Total Revenue	NA	119.2	132.0	36.2
PAT	NA	6.2	13.8	9.3
EBITDA	NA	9.7	NA	12.6
Operating Profit Margin (ROS)	NA	7.2%	14.1%	34.0%
EBITDA Margin	NA	8.1%	NA	34.8%
<b>Net Profit Ratio</b>				
PAT/Net Sales	NA	5.2%	10.5%	25.6%
<b>Debt to Equity Ratio</b>				
Debt	NA	58.8	NA	9.9
Equity	NA	18.6	NA	34.5
Debt/Equity	NA	3.2	NA	0.3
<b>Return on Equity Ratio</b>				
PAT/Stakeholder Equity	NA	33.5%	NA	35.5%
<b>Return on Capital Employed</b>				
EBIT/Shareholder Equity & Total Liabilities	NA	11.1%	NA	27.6%
EBIT	NA	8.6	18.6	12.2
Shareholder Equity & Total Liabilities	NA	77.4	NA	44.4
Net Worth	NA	18.6	NA	34.5

Source: Interview with Industry Experts, Company Financial Reports and Ken Research Analysis

Note: ROS = Return on Sales; Debt/Equity = Total Liabilities / Total Shareholders' Equity

ROE is marked as "N/A – Not Applicable" when both net income and equity are negative to avoid artificially inflated and misleading ratio

NA Stands for data not available

## OUR BUSINESS

### Business Overview

“Aakaar Medical Technologies Private Limited” was incorporated in the year 2013 under the leadership of Mr. Dilip Meswani who has been in the Aesthetic business since more than 25 years. He commenced his journey in the aesthetics business in 1999 through a proprietary business which was primarily selling Aesthetic Devices and then shifted his entire business under Aakaar Medical Technologies Private Limited.

We are a medical aesthetic company dealing in a wide range of aesthetics & specialized cosmetic products & devices. Our product range includes both Own brands (domestically manufactured products & internationally manufactured devices) and Imported Brands (distribution of imported brands) from countries such as Korea, Spain, Italy, and Austria. We've established a distinctive presence in the medical aesthetic market by exclusively focusing on business-to-business(B2B) channels for product distribution and sales. We supply our products & devices primarily to dermatologists, plastic surgeons, aesthetic physicians who then sell these products to their end consumers as well as use certain device consumables as part of their treatments. We derive majority of our revenue from Aesthetic products and will continue to focus on our Aesthetic products pipeline

### Product Segment Wise Break-up

	Five- month period ended August 31, 2024		Financial Year 2024		Financial Year 2023		Financial Year 2022	
	(₹ in Lakhs)	% Share	(₹in Lakhs)	% Share	(₹in Lakhs)	% Share	(₹in Lakhs)	% Share
Aesthetic Products	1,869.40	87.61%	3,429.85	74.38%	2,354.91	71.83%	1,386.10	71.21%
Aesthetic Devices & Device Consumables	264.25	12.39%	1,181.25	25.62%	923.55	28.17%	560.44	28.79%
<b>Total Revenue from Operations</b>	<b>2,133.65</b>	<b>100%</b>	<b>4,611.10</b>	<b>100%</b>	<b>3,278.46</b>	<b>100%</b>	<b>1,946.54</b>	<b>100%</b>

### Number of SKUs

Particulars	Five- month period ended August 31, 2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
<b>Imported Brands</b>	<b>91</b>	<b>82</b>	<b>82</b>	<b>82</b>
Aesthetic Products	67	63	63	63
Devices & Device Consumables	24	19	19	19
<b>Own Brands</b>	<b>60</b>	<b>58</b>	<b>39</b>	<b>39</b>
Aesthetic Products	47	45	30	28
Devices & Device Consumables	13	13	9	11
<b>Total</b>	<b>151</b>	<b>140</b>	<b>121</b>	<b>121</b>

### Number of Unit of SKUs sold (In Numbers)

Particulars	Five- month period ended August 31,2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
<b>Aesthetic Products</b>	<b>1,90,153</b>	<b>3,12,348</b>	<b>2,07,838</b>	<b>1,45,928</b>
<b>Aesthetic Devices &amp; Device Consumables(A+B)</b>	<b>3,087</b>	<b>14,854</b>	<b>12,599</b>	<b>11,229</b>
(A)Device	28	145	115	100
(B)Device Consumables	3,059	14,709	12,484	11,129
<b>Total</b>	<b>1,93,240</b>	<b>3,27,202</b>	<b>2,20,437</b>	<b>1,57,157</b>

## Our Business Model

Our product range includes both Own Brands (domestically manufactured products) and Imported Brands (distribution of imported brands) from countries like Korea, Spain, Italy, and Austria.

- a) **Sale of imported brands** : - We sell products & devices of reputed Aesthetic Brands in India via distribution agreements/sourcing arrangements. This segment contributed 70% of the revenue for Financial Year 2024.
- b) **Sale of Own Brands** : - This business segment accounted for 30.22% of our revenues in Financial Year 2024 & 39.57% of our revenues for five- month period ending August 31 2024. The products are manufactured under the following arrangements:
- Aesthetic Products
    - We provide our own formulations to 3rd party manufacturers & then buy the products from such manufacturers under white labelling arrangement and market it under the Aakaar Brand. The product will carry manufacturers name with AAKAAR being displayed as the “Marketing Agency”
    - We provide our own formulations & manufacture the product via loan licensing agreements through 3<sup>rd</sup> party manufacturers facilities. In such arrangements, AAKAAR will be displayed both as “Manufacturer and Marketing Agency” on the product packaging.
  - Aesthetic Devices – Devices are imported & marketed under own brand

### Below is the Business Model Wise split of Revenue from Operations

Sr. No	Particulars	Five- month period ended August 31,2024		Financial Year 2024		Financial Year 2023		Financial Year 2022	
		₹ in Lakhs	% Share	₹ in Lakhs	% Share	₹ in Lakhs	% Share	₹ in Lakhs	% Share
<b>A</b>	<b>Own brands</b>	<b>844.37</b>	<b>39.57</b>	<b>1393.65</b>	<b>30.22%</b>	<b>774.47</b>	<b>23.62</b>	<b>527.59</b>	<b>27.10</b>
1	Aesthetic Products	727.54	34.10	896.89	19.45%	429.32	13.10	291.28	14.96
2	Devices & Device Consumables	116.83	5.47	496.76	10.77%	345.15	10.52	236.31	12.14
<b>B</b>	<b>Imported Brands</b>	<b>1,289.28</b>	<b>60.43</b>	<b>3217.45</b>	<b>69.78</b>	<b>2,503.99</b>	<b>76.38</b>	<b>1,418.95</b>	<b>72.90</b>
1	Aesthetic Products	1,141.86	53.52	2,532.95	54.94	1,925.59	58.74	1,094.82	56.25
2	Devices & Device Consumables	147.42	6.91	684.50	14.84	578.40	17.64	324.13	16.65
<b>A+B</b>	<b>Total Revenue from Operations</b>	<b>2,133.65</b>	<b>100.00</b>	<b>4,611.10</b>	<b>100.00</b>	<b>3278.46</b>	<b>100.00</b>	<b>1,946.54</b>	<b>100.00</b>

## Product Segment Overview



\* Above product classification is based on the end-use of products

### Product Segment wise revenue split :

Product Segments	Five- month period ended August 31,2024		Financial Year 2024		Financial Year 2023		Financial Year 2022		CAGR Segment Wise** %
	(₹ in Lakhs)	% Share	(₹ in Lakhs)	% Share	(₹ in Lakhs)	% Share	(₹ in Lakhs)	% Share	
<b>Aesthetic Products</b>									
Professional skin care	618.04	28.97	1,144.87	24.83	920.21	28.07%	619.33	31.82	35.96
Professional hair care range	211.50	9.91	189.46	4.11	75.98	2.32%	45.93	2.36	103.11
Injectables & Contouring	567.91	26.62	1,274.66	27.64	813.10	24.80	355.64	18.27	89.32
Homecare for Hair & Skin	471.96	22.12	820.86	17.80	545.62	16.64	365.36	18.77	49.89
Aesthetic Devices & Device Consumables	264.25	12.38	1181.25	25.62	923.55	28.17	560.28	28.78	45.20
<b>Total</b>	<b>2,133.65</b>	<b>100.00</b>	<b>4,611.10</b>	<b>100.00</b>	<b>3,278.46</b>	<b>100.00</b>	<b>1946.54</b>	<b>100.00</b>	<b>53.91</b>

\*Aesthetic Products classified as Aesthetic Devices as per the standards are re-classified under Injectables & Contouring in the product segment revenue split basis the actual property of the product

\*Homecare range also include certain nutraceutical tablets sold by us

\*\*CAGR segment wise only calculated till Financial Year 2024 since Financial Year 2025 numbers are only for 5 months

Details of our “Own Brand” and “Imported brands” are as follows:-

**Own Brands**

Brand/Trademark Name	Brand Logo	Product Image (For one of the multiple products under each brand)	Product Segment	Types of Products Sold
Swyada			Homecare and professional skin care	Moisturizer, Skin Gel, Serum, Mask, Medifacial Kit
Tubelite			Injectable and contouring, Homecare for skin, Professional Hair Care	Gel, Cleanser, Cream, Sunscreen, Make-up remover, Serum etc.
Etelume			Injectable and contouring, Homecare for skin	Serum Mask, Tablets(Nutraceutical)
Etreluxe			Professional Skincare	Mesotherapy
Exoluxe			Professional skin care	Medifacial Kit
Etreclaire			Professional skin care	Solution HydraFacial for

Brand/Trademark Name	Brand Logo	Product Image (For one of the multiple products under each brand)	Product Segment	Types of Products Sold
Etrehair			Homecare for hair	Hair Growth Serum & Tablets(nutraceutical)
Balback			Homecare for hair	Hair Serum, Anti hair loss solution, Tablet (Nutraceuticals)
Lytec			Professional Skin Care & Homecare for Skin	Sunscreen, lightening, Medi-facial, Post procedure care, Skin Cream, Post procedure care
DRS1512			Professional Skin and hair care	Mesotherapy
Femichair			Aesthetic Device	Device for urinary incontinence
Synergy+			Aesthetic Device	Hydra Facial
Magnus			Aesthetic Device	Tattoo removal, pigmentation and skin rejuvenation

Brand/Trademark Name	Brand Logo	Product Image (For one of the multiple products under each brand)	Product Segment	Types of Products Sold
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Platina			Aesthetic Device	Laser Hair Reduction
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Xelix			Aesthetic Device	Hair Transplant Device
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**Imported Brand**

Note : we only have distribution rights of such imported brand products in India – we do not own the brand name

Brand Name	Brand Logo	Product Image (One of the products)	Product Segment	Types of Products Sold
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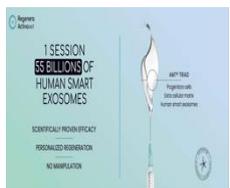
AQUILIFT			Injectables & Contouring	Aquilift Threads
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Theraderm			Professional Hair & Skin Care	Hair Serum, Peels, Sunblock
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Innoaesthetics			Professional Hair Care & Skin Care	Roller, Serum, Cream
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Meline(Brand of Innoaesthetics)			Professional Skin Care	Depigmenting Solution, Skin Pigmentation, Home Mask
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Saypha (Croma)			Injectables & Contouring	Derma Filler, Skin Booster
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Brand Name	Brand Logo	Product Image (One of the products)	Product Segment	Types of Products Sold
Brand -1	-	-	Injectables & Contouring Drug	Skin Tightening and Anti Ageing
Siax (Brand of Medytox)			Drug	Purified Botulinum Toxin
Brand 2	-	-	Aesthetic Device	Scar Treatment
Regenera			Aesthetic Device	Hair Regeneration

## OUR BUSINESS PROCESS

Aakaar has formulated a comprehensive ideation to launch process which helps company to uncover consumer needs, emerging trends and competitive insights and stay updated in the marketplace.

For “Own Brands” a typical timeline to launch a product from the ideation stage would range anywhere between 9-12 months. At any point in time multiple products could be in the pipeline for launch at various stages of the launch process



The following is the detailed ideation to launch process of our products:

### 1. Research & Ideation

Our market research is continuous and integrated into daily operations. We engage in national and international seminars/workshops, conduct surveys, study trends and conduct field meetings with customers to stay updated on market trends and competition. We prioritize products and categories based on marketing insights and customer feedback. Our product ideas for further exploration is continually updated, making this an ongoing process.

A typical SOP for Research and Ideation would include:-

- (1) Define research objectives and target audience.
- (2) Select appropriate research methods and tools.
- (3) Collect and analyse data.
- (4) Draw insights and identify trends.
- (5) Brainstorm product ideas based on research findings.

## 2. Concept Development

Our process for shortlisting ideas involves a structured approach to evaluate and prioritize concepts. Key persons in this process involve representatives from Management, R&D, Marketing, and Product development. This phase includes following steps-

1. Present potential product ideas from research and ideation.
2. Evaluate each idea based on criteria like feasibility, market demand, company goals, and competition.
3. Conduct concept assessment to gather feedback from target consumers or focus groups.
4. Rank ideas based on feedback, cost-benefit analysis, and strategic fit.
5. Select the most promising ideas for further development.
6. Document the rationale for shortlisting and assign responsibilities for concept development.

## 3. Feasibility Analysis

This step includes 2 sub steps which are as follows:

- a. Assess technical feasibility - During this process the company evaluates product quality, regulatory compliance, logistics, market demand, manufacturing infrastructure, consumer acceptance etc. to ensure successful market entry.
- b. Evaluate Cost Implications - This step involves evaluation of cost feasibility from the R&D, manufacturing, regulatory compliance cost, marketing & distribution and cost of competing products. We conduct ROI (return on investment) analysis based on financial projections to assess the potential profitability of the new product or device.

## 4. Prototype Development

In this process, our company develops a product prototype. Testing is done in our own loan-licensing laboratories, at manufacturing units, or outsourced to selected 3<sup>rd</sup> party vendor partners. Aakaar controls the process by choosing and overseeing testing partners, ensuring adherence to standardized protocols, and regularly reviewing test results. We conduct optional human volunteer testing with company volunteers and doctors for sensorial spread ability. Basis the feedbacks the prototype is refined. The company does not conduct animal testing.

### Formulation and Trial

This process involves following steps:

- a. Finalize product formulation: This process takes approximately 1 month from prototype development, depending on product complexity and research involved.
- b. Source ingredients and packaging materials: Company and the manufacturer share the responsibility for sourcing ingredients and materials. The company maintains oversight through clear specifications, regular audits, a supplier qualification program, quality assurance protocols, and documented SOPs for testing.

- c. Establish manufacturing process: This step involves equipment setup, staff training, and trial runs to optimize efficiency and quality. Dates, batch size, and manufacturing line are finalized.

5. Regulatory Compliance

Below is the process followed and approvals required product wise :-

<b>Particulars</b>	<b>Approvals Required</b>
<i>Local Cosmetics, Drugs &amp; Devices Sale + Manufacturing</i>	<p><b>Manufacturing License plus Product wise Local FDA Approval</b></p> <ul style="list-style-type: none"> <li>• For cosmetics, drugs and devices manufactured locally via loan licensing agreements, a local FDA license from the respective state FDA/CDSCO to be taken in the name of Aakaar to manufacture the products in that unit. Post which an approval is taken from the Local FDA for each new product being launched in the market. The registration process with the local FDA for drug and cosmetic products typically involves submitting detailed applications containing product information, conducting required tests for safety and efficacy, adhering to Good Manufacturing Practices (GMP), ensuring compliance with labelling and packaging requirements, providing safety data, establishing quality control procedures, undergoing facility inspections, and paying associated fees.</li> <li>• For third party manufacturing of drugs and cosmetics, all the licenses are taken by the manufacturer.</li> </ul>

6. Manufacturing Process

In this phase we commence the manufacturing process for the products which is planned basis the demand expected in the market.

7. Marketing Strategy

The marketing strategy of the product includes developing marketing plan, determining pricing strategy and promotional activities. Some standard promotional strategies of the company include Social media campaigns , Doctor influencer partnerships, Email and WhatsApp marketing campaigns, Advertising ,Events and sponsorships , Product launch in clinics.

8. Launch Preparation-

In this step company sets the product launch date, finalises marketing materials and logistics requirements. This phase usually begins 2-3 months prior to the planned launch date.

9. Product Launch-

During product launch we officially introduce the product to our target customer such as doctors practicing aesthetics and dermatology through offline promotions in clinics, conferences, CME's launch events and engaging with customer via medical representatives and KAM's and various other channels.

10. Post-launch Evaluation-

Post products launch we analyse sales performance and understand trends and patterns to identify factors influencing sales, gather customer feedback through doctor surveys, customer support interactions, online reviews and ratings and identify areas of improvement.

**Imported brand - products ideation to launch process:**

A typical timeline to launch an imported product from the ideation stage to the launch would be anywhere between 18-24 months. At a time multiple products could be in the pipeline for launch at various stages of the launch process.



### 1. Research & Ideation

Our market research is continuous and integrated into daily operations. We engage in national and international seminar/workshops, conduct surveys, study trends and conduct field meetings with customers to stay updated on market trends and competition. We prioritize products and categories based on marketing insights and customer feedback. Our product ideas for further exploration is continually updated, making this an ongoing process.

A typical SOP for Research and Ideation would include:-

1. Define research objectives and target audience.
2. Select appropriate research methods and tools.
3. Collect and analyse data.
4. Draw insights and identify trends.
5. Brainstorm product ideas based on research findings.

### 2. Identification

Our process for shortlisting and identifying products and devices involves a structured approach to evaluate and prioritize concepts. Key persons in this process involve representatives from Management, Marketing, Product development and Regulatory Consultants. This phase includes following steps:

- 1) Identify potential products and devices and or technology from research and brainstorming with key stake holders.
- 2) Evaluate each idea based on criteria like feasibility, market demand, company goals, and competition.
- 3) Conduct concept assessment to gather feedback from target consumers or focus groups.
- 4) Rank ideas based on feedback, cost-benefit analysis, and strategic fit.
- 5) Select the most promising ideas for further Business development which includes finding the OEM manufacturers, Global Brands looking to partner on exclusive distributor terms to market in India.
- 6) Document the rationale for shortlisting and assign responsibilities for further Business development.

The goal of this process is to ensure selected products devices or technology align with our company objectives and target market needs. Collaboration among stakeholders helps to make informed decision.

### 3. Feasibility Analysis

This step includes:

- a. Assess technical feasibility - During this process the company evaluates product quality, regulatory compliance, logistics, market demand, and consumer acceptance to ensure successful

- market entry and sustainable growth. Further assessment of supply chain is done.
- b. Evaluate the Cost Implications - This step involves evaluation of cost feasibility from the regulatory compliance cost, marketing & distribution and cost of competing products. We conduct ROI (return on investment) analysis based on financial projections to assess the potential profitability of the new product or device over the time.

4. Prototype testing

In this process, our company imports samples as a product prototype. Aakaar controls the process by choosing and overseeing testing partners, ensuring adherence to standardized protocols, and regularly reviewing test results. We conduct optional human volunteer testing with company volunteers and doctors for sensorial spreadability. Aakaar shortlists only products and devices that have received due certification and compliances mandated by CDSCO for import.

5. Determine Regulatory Requirements & Apply for Registration :

The company hires a regulatory consultant for the entire process of Import License & Registration which takes anywhere between 9-12 months. Below is a brief regulatory requirement for the import.

Particulars	Approvals Required
<i>Imported Cosmetics, Drugs &amp; Aesthetic Devices Sale in India (Including Aesthetic Devices Imported under white labelling)</i>	<b>Import License</b> We send the checklist of all the documents prior to signing the agreement with the Company to confirm as regards the regulatory licenses and other necessary documents available with the Company for manufacture and sale of the product. Post which we apply to CDSCO to register the plant & product. On registration, an import license/registration certificate is received from CDSCO which mentions the list of products for which the same is granted as well as the validity of the license under the Drugs and Cosmetic Rules 1945. Once the import license is received, the importer has the right to sell the specific products all over India

6. Final Negotiations with the Importer & Paperwork

The company appoints one person responsible to coordinate with foreign supplier for finalizing paperwork and to coordinate with Regulatory consultant. The company will carry out negotiations on the pricing and terms of the agreement and finalize the agreement with the foreign supplier.

7. Marketing Strategy

The marketing strategy of the product includes developing marketing plan, determining pricing strategy and promotional activities. Some standard promotional strategies of the company include Social media campaigns, Doctor influencer partnerships, Email and WhatsApp marketing campaigns, Advertising, Events and sponsorships, Product launch planning in clinics.

8. Launch Preparation

In this step company sets the product launch date, finalises marketing materials and logistics requirements. This phase usually begins 2-3 months prior to the planned launch date.

9. Product Launch

During product launch we officially introduce the product to our target customer such as doctors practicing aesthetics and dermatology through offline promotions in clinics, conferences, CME's launch events and engaging with customer via medical representatives and KAM's and various other channels.

10. Post-launch Evaluation

Post products launch we analyse sales performance and understand trends and patterns to identify factors influencing sales, gather customer feedback through doctor surveys, customer support interactions, online reviews and ratings and identify areas of improvement.

#### OUR TOP 10 Suppliers as a % of Cost of Goods Sold

Supplier	% of Total Cost of Goods Sold			
	Five- month period ended August 31,2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
Supplier 1	16.60	22.47	14.09	5.99
Supplier 2	14.83	8.93	-	-
Supplier 3	13.40	11.17	12.60	5.69
Supplier 4	12.06	10.10	12.44	8.26
Supplier 5	11.81	17.61	23.37	14.80
Supplier 6	8.70	11.57	-	-
Supplier 7	7.45	-	-	-
Supplier 8	3.84	-	-	-
Supplier 9	3.03	3.22	3.00	
Supplier 10	2.50	-	-	-
Supplier 11	-	4.46	7.21	6.78
Supplier 12	-	6.27	6.73	5.89
Supplier 13	-	3.42	4.28	7.19
Supplier 14	-	-	10.88	16.76
Supplier 15	-	-	2.41	4.93
Supplier 16	-			8.10
<b>Top 10 suppliers as a % of COGS</b>	<b>94.23</b>	<b>99.22</b>	<b>97.02</b>	<b>84.40</b>

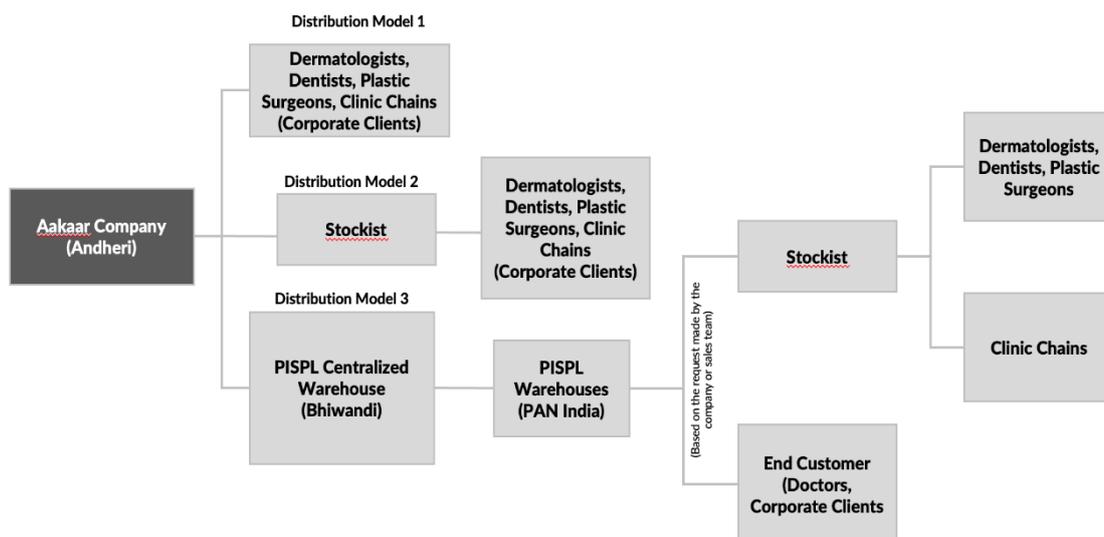
#### OUR SALES & DISTRIBUTION PROCESS

##### A. SALES

Our success and sales revenue are driven by our differentiated sales strategy that is supported by a team of experienced sales professionals. Our sales strategy helps us make our products available to our customers and communicate with them on a regular basis. We strategically leverage the presence of our CSA for prompt distribution of our products. We have a dedicated in-house sales team, consisting of 130 employees as at January 31, 2025, that drives direct marketing and sales of our products across the country.

##### B. DISTRIBUTION

Our company continuously strive to reduce and minimize the lead time between the placement of order by the customer and final delivery of the products. We operate under 3 distribution models which are as follows:



### Distribution Model 1-

Under this model the company sells its product directly to the Dermatologists, Aesthetic Physicians, Plastic Surgeons. They receive the order from their sales team and the product is directly shipped to client.

### Distribution Model 2-

Under this model the company sells its product to the Dermatologists, Aesthetic Physicians, Plastic Surgeons through its stockists. They receive the order from their sales team and the product is shipped to client via the stockists.

### Distribution Model 3-

Our company has entered into a Consignment Sales Arrangement (CSA) with Parekh Integrated Services Private Limited which has pan India network of distribution centres and will use its 21 warehousing centres across India for storage of Company goods. Under this agreement, the CSA is responsible for storage, maintenance, delivery and distribution of company's stock pan India. The Company over the last 2 years has increased its sales under this model and going forward majority of the sales will be via this model.

Revenue Break-up of the Company Distribution Model Wise

Particulars	Five- month period s ended August 31, 2024	Financial Year 2023-24	Financial Year 2022-23	Financial Year 2021-22
Revenue through Aakaar(Model 1 & 2)	401.83	2,056.07	2,761.41	1,768.11
Revenue through PISPL(Model 3)	1,731.82	2,555.03	517.05	178.43
<b>Total Revenue from Operations</b>	<b>2,133.65</b>	<b>4,611.10</b>	<b>3,278.46</b>	<b>1,946.54</b>

## MARKETING STRATEGIES

Our marketing strategy includes the following areas

1. Hosting Workshops/ Seminars :

The Indian aesthetic market is currently in its early stages. Postgraduate dermatology courses, such as MD and DVD, primarily focus on the medical aspects of dermatology. Consequently, dermatology PG students post-graduation, seek to learn and get hand-on aesthetics experience. Aakaar addresses this need by offering training through workshops and small group sessions, helping bridge the gap in aesthetic education and resultantly help us to increase our customer base. Company has conducted multiple workshops since inception. Aakaar has introduced a MICA programme (Master Class in Contouring Aesthetics) which is designed for training young & enthusiastic Dermatologists and Plastic Surgeon's on theory and practical knowledge of Dermal Fillers, threads and Toxins. We train around 10 to 15 doctors in every course & course is conducted in some of the leading Drs Clinic or Derma OPD in Hospitals. This helps us create our market for future and also foster great customer relationship.

## 2. Conferences and Trade Show:

The company actively attends and participate in the aesthetic conferences, exhibitions, trade shows. Aesthetic dermatology conference is the event where experts, practitioners, researchers and industry leaders in the field of aesthetics gather to share knowledge, discuss innovations and network. These events primarily include Educational Sessions, Live demonstrations, Exhibitions, Networking, Workshops & Training. The participation in such events help us increase our brand visibility within our target consumers and provide networking opportunities. We also sponsor a part of these conferences where we provide educational sessions to the doctors.

## 3. International workshop Conference for doctors:

Under this strategy, each year we train our master trainers at international workshop and conference in countries South Korea, Austria and conferences like AMWC Monaco, and IMCAS Paris.

This helps with the exposure of the trainer doctors to new products procedures and treatments being done globally and helps us to train more Drs in India through them.

## Key Performance Indicators

Particulars	Five- month period ended August 31,2024	(₹ in Lakhs except % and ratios)		
		Financial Year2024	Financial Year2024	Financial Year2024
Revenue from operations <sup>(1)</sup>	2133.65	4611.10	3278.46	1946.53
EBITDA <sup>(2)</sup>	11.36	499.89	352.86	239.56
EBITDA Margin <sup>(3)</sup>	0.53%	10.84 %	10.76 %	12.31%
PAT <sup>(4)</sup>	(41.62)	287.02	215.31	161.85
PAT Margin <sup>(5)</sup>	(1.95%)	6.22 %	6.57 %	8.31%
Net Worth <sup>(6)</sup>	1239.67	1252.56	965.54	802.72
Return on Net Worth <sup>(7)</sup>	(3.34%)*	25.88 %	24.35 %	21.59%
Return on Capital Employed <sup>(8)</sup>	0.39%*	23.57%	28.35%	27.44%
Revenue from own brands <sup>(9)</sup>	844.37	1393.65	774.47	527.59
Sales team <sup>(10)</sup> (Nos)	135	128	88	53
Number of Customers Billed <sup>(11)</sup> (Nos)	3295	5205	4507	3117

\*Not Annualized

- Revenue from Operations** = This amount is Revenue from Operations as appearing in the Restated Financial Statements.
- EBITDA** = Profit for the period / year; plus tax expenses, finance costs, depreciation and amortization expenses, extraordinary items and reduced by other income.
- EBITDA Margin** = EBITDA divided by Revenue from Operations
- Profit After Tax (PAT)** = This amount is Profit for the period/year as appearing in the Restated Financial Statements.
- PAT Margin** = Profit for the year/period divided by Revenue from Operations.
- Net Worth** = Share capital + Balance in Profit and Loss account + Securities Premium account
- Return on Net Worth** = Restated Net Profit (Loss) after tax for the year/period divided by average of net worth at beginning and end of the year
- Return on Capital Employed** = Earnings before interest and taxes divided by average capital employed. Capital Employed includes Tangible Net worth, Long-Term Borrowing and Short-Term Borrowing less cash and cash equivalents and other bank balances

9. **Revenue from own brands** = Revenue from products sold under the Umbrella of Aakaar Brands
10. **Sales team** = Sales executives of the Company as at the end of the respective period which drive our revenue which includes sales executives on ground as well as sales managers
11. **Number of Customers Billed** = End customers which includes Doctors, Aesthetic Surgeons & Clinics Chains billed in a Year which can be either through PISPL/Stockists/Distributors/directly by the Company

KPI	Explanation
Revenue from Operations	Revenue from operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of our business.
EBITDA	EBITDA provides information regarding the operational efficiency of our business as it considers all sources of our core income.
EBITDA Margin	EBITDA Margin is an indicator of the operational profitability and financial performance of Company's business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT margin is an indicator of the overall profitability and financial performance of our business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the Company
Return on Equity	Return on Equity is an indicator of our efficiency as it measures our profitability. It shows how efficiently we generate profits from our shareholders.
Return on Capital Employed	Return on capital employed provides how efficiently the Company generates earnings from the capital employed in the business.
Revenue from own brands	It indicates how the company is gradually increasing its turnover from their own brand business which is also a higher margin business
Sales Team	It indicates the increasing reach of our business as well as the growth of the business which is primarily driven by the sales executives
Number of Customers Billed	It indicates the YOY increase in our number of doctors and in-turn highlight how is the Company growing its clientele pan India

## **PRODUCT WISE REVENUE – TOP 10 PRODUCTS**

### **Top 10 Own Brand Products**

(₹ in Lakhs)					
Product Name	Product Category	Five- month period ended August 31, 2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
TUBELiTE GFC 360 kit	Injectables	150.84	108.71	-	-
ETRELUME-01 INJ	Injectables	87.63	126.90	-	-
Exoluxe Medifacial Kit	Professional skin care	81.59		-	-
Etreolume 2.1%Pure HA++	Home care for skin	45.87	92.05	33.78	
ETRELUME 04 (2*15)	Home care for skin	36.88	74.44	-	-
Magnus Pico System	Devices	32.60		-	-
Etrehair GFC 50ml	Professional Hair care	32.52		-	-
Tubelite Synergy+ Medical System	Devices	32.20	148.14	150.08	88.89
Lytec Hi & Kori Kit(1box=10Kit)	Professional skin care	20.81	-	-	-
Etreolume Acnecidol Exo Gel 30g	Home care for skin	19.02	-	-	-
Platina Diode Laser System	Medical Device	-	144.42	37.95	62.5
Balback 60 ml	Home care for hair	-	49.85	64.98	59.85
Lytec Hydra 50gm	Home care for skin	-	38.16	21.80	-
Etreolume 23% C SYN-AKE++30ml	Home care for skin	-	34.52	-	-

Product Name	Product Category	Five- month period ended August 31, 2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
Q Switch Nd Yag Laser System Model - Magnus	Devices	-	99.96	90.03	35.94
Balback 90 ml	Home care for hair	-	-	49.85	43.14
Tubelite Gold 30gm	Home care for hair	-	-	27.34	21.3
Tubelite Cream 15gm	Home care for hair	-	-	50.03	28.56
TUBELiTE Clenz 100 ml 600.00	Home care for hair	-	-	17.54	15.45
Tubelite RayPro 30gm	Home care for hair	-	-	-	14.57
Tubelite Silk Moisturizer 50GM	Home care for hair	-	-	-	14.07
<b>Total</b>		<b>539.96</b>	<b>917.14</b>	<b>543.38</b>	<b>384.27</b>
<b>Contribution as a % of Revenue from Operations</b>		<b>25.31%</b>	<b>19.89%</b>	<b>16.57%</b>	<b>19.74%</b>

### **Top 10 Imported Brand Products**

(₹ in Lakhs, unless otherwise stated)

Product Name	Product Category	Five- month period ended August 31,2024	Financial Year2024	Financial Year2024	Financial Year2024
Inno Exfo Lightening 15gm	Professional Skin Care	293.26	746.26	622.96	385.57
Saypha Range	Injectables	240.42	608.06	402.14	138.15
Siax	Injectables	176.19	376.56	281.41	133.11
ME Line Range	Skin Home Care	130.80	173.58	142.66	96.52
Regenera AMT	Devices	76.33	326.82	-	-
Pumpkin Peel Kit	Professional Skin Care	71.61	132.39	104.21	49.78
Black Peel ExoResurfacing 10ml	Professional Skin Care	69.74	109.64	67.69	78.41
Alfa Aqualift Thread	Injectables	63.68	163.14	123.60	84.54
ONDA System	Devices	42.00	-	-	41.50
Bio Cell Hair Serum 4mlx6		20.42	-	-	-
Product 1	Devices	-	74.04	164.98	-
Monalisa SmartXide Touch		-	73.00	-	-
Motus AX New Touch System	Devices	-	-	83.75	38.25
DEKA SmartXide Touch C60		-	-	71.43	-
360sculpt Magnetic Stimulation Medical Sytem	Devices	-	-	-	42.50
<b>Total</b>		<b>1184.45</b>	<b>2783.49</b>	<b>2064.83</b>	<b>1088.33</b>
<b>Contribution as a % of Revenue from Operations</b>		<b>55.51%</b>	<b>60.36%</b>	<b>62.98%</b>	<b>55.91%</b>

### **COMPETITIVE STRENGTHS**

The company believes it is well positioned to exploit the potential growth opportunities in the industry. The company has identified the following competitive strengths of the business:-

#### **1. *Experienced Management & Leadership Team***

The Company is being led by an experienced team with our Founder & Managing Director Mr. Dilip Meswani being a qualified Biomedical Engineer involved in the business since more than two decades. He is actively involved in the strategic decision making for our Company. Our CEO Dr. Rahul Sawakhande has extensive experience and deep understanding of the aesthetic industry having worked some market leaders like Galderma Pharma, Pfizer & Piramal Healthcare across various roles. He leads the business operations of the Company.

#### **2. *Diversified Customer Base***

We have a large and dynamic customer base of doctors and clinic chains across India with new customers

entering the mix every year. Also having a customer base of more than 5,000(5,205 as at for Financial Year 2024) our top customers will be always be subject to change year by year. Our top 10 customers contribute 10.96% of the revenue of the Company for Financial Year 2024.

Below is the % Contribution from our Top 10 customers

Customer name	% of Revenue from Operations			
	Five- month period ended August 31,2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
Customer 1	0.86	-	-	-
Customer 2	0.81	2.02	1.45	1.63
Customer 3	0.77	-	-	-
Customer 4	0.77	-	-	-
Customer 5	0.75	-	-	-
Customer 6	0.74	-	-	-
Customer 7	0.67	-	-	-
Customer 8	0.58	-	2.00	-
Customer 9	0.52	-	-	-
Customer 10	0.39	-	-	-
Customer 11	-	2.02	-	-
Customer 12	-	1.19	-	-
Customer 13	-	1.15	-	-
Customer 14	-	1.04	-	-
Customer 15	-	0.98	1.13	-
Customer 16	-	0.75	-	-
Customer 17	-	0.65	-	-
Customer 18	-	0.61	-	-
Customer 19	-	0.54	-	-
Customer 20	-	-	2.45	4.37
Customer 21	-	-	1.71	-
Customer 22	-	-	1.32	-
Customer 23	-	-	1.31	1.40
Customer 24	-	-	1.30	-
Customer 25	-	-	1.24	-
Customer 26	-	-	0.95	-
Customer 27	-	-	-	1.63
Customer 28	-	-	-	1.16
Customer 29	-	-	-	1.04
Customer 30	-	-	-	0.99
Customer 31	-	-	-	0.97
Customer 32	-	-	-	0.94
Customer 33	-	-	-	0.82
<b>Percentage of top 10 Customers to Revenue</b>	<b>6.86</b>	<b>10.96</b>	<b>14.88</b>	<b>14.96</b>

### 3. *Diversified Product Base*

We are engaged across multiple product segments with a wide product base of 151 SKUs as at August 2024 and 1,93,240 units of SKUs sold for the five- month period ending August 31 2024. Our diversified product base has led us to become a one stop destination for the dermatologists providing a range of products from Home Care to Professional Care to Injectables & Contouring to devices. We are present across all the growing product categories in the market as mentioned below :-

Sub-Market	CAGR (2023-29F)	Key Growth Drivers	Number of SKUs of Aakaar
<b>Aesthetic Lasers and Energy Devices</b>	12-13%	Increasing demand for non-invasive procedures, technological advancements, growing demand for skin rejuvenation and body contouring applications	15
<b>Peels and Medi Facials</b>	13-14%	Growing awareness of skincare, increased preference for non-surgical treatments, expanding urban population.	14
<b>Mesotherapy</b>	14-15%	Rising demand for anti-aging treatments and expanding number of aesthetic clinics	5
<b>Dermal Fillers</b>	12-13%	Rising Aging Population, young demographic opting for anti-ageing procedures, heightened awareness of the procedure (through social media, celebrity endorsements)	1
<b>Botox</b>	12-13%	Rising Aging Population, young demographic opting for anti-ageing procedures, heightened awareness of the procedure (through social media, celebrity endorsements)	1
<b>Hair Regenerative</b>	14-15%	Rising prevalence of hair loss, advancements in regenerative medicine, growing male grooming market	4

\*Industry Data Source :- Ken Research Industry Report

#### 4. Pan India reach through our Consignment Sales partner

We have partnered with Parekh Integrated Services Pvt. Ltd.(PISPL) a leading logistics company in operation since 4 decades as our CSA partner. PISPL will store our products at its 21 warehousing centres across India which provides us easy accessibility to pin codes across India for distributing our products to the doctors and clinic chains. This has also helped us minimize the lead time for our clients from placing an order to the final delivery of the product. Going forward our majority revenue will be through our CSA partner. Below is the break-up of revenue from PISPL and direct sales through Aakaar :-

(₹ in Lakhs)

Particulars	Five- month period ended August 31,2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
Direct Sales	401.83	2,056.08	2,761.42	1,768.11
% of total Sales	18.83	44.59	84.23	90.83
Sales through PISPL	1,731.82	2555.02	517.04	178.43
% of total Sales	81.17	55.41	15.77	9.17
<b>TOTAL SALES</b>	<b>2,133.65</b>	<b>4,611.10</b>	<b>3,278.46</b>	<b>1,946.54</b>

Below is the Key state wise Revenue from Operations for the last 3 years :-

(₹ in Lakhs, unless otherwise stated)

State	Five- month period ended August 31,2024	Financial Year 2024	Financial Year 2023	Financial Year 2022	TOTAL
Maharashtra	303.93	887.28	653.67	399.07	2243.95
Karnataka	280.93	597.62	362.06	163.83	1404.44
Tamil Nadu	233.98	367.82	170.93	132.78	905.51
Telangana	186.62	394.87	212.61	98.31	892.41
Uttar Pradesh	168.29	278.13	245.71	79.94	772.07
Kerala	145.52	305.84	221.90	57.91	731.17
Delhi	134.51	312.95	243.05	175.64	866.15
Punjab	132.23	274.66	273.43	221.27	901.59
Haryana	130.72	298.61	190.35	134.99	754.67
Gujarat	94.40	159.83	128.65	99.72	482.60
<b>Total Revenue From</b>	<b>1,811.13</b>	<b>3877.61</b>	<b>2,702.36</b>	<b>1563.46</b>	<b>9954.56</b>

State	Five- month period ended August 31,2024	Financial Year 2024	Financial Year 2023	Financial Year 2022	TOTAL
<b>Key States</b>					
<b>Total Revenue From Operation</b>	<b>2,133.65</b>	<b>4,611.10</b>	<b>3,278.46</b>	<b>1,946.54</b>	<b>11,969.75</b>
<b>% of Total Revenue from Operations</b>	<b>84.88</b>	<b>84.09</b>	<b>82.43</b>	<b>80.32</b>	<b>83.16</b>

## OUR GROWTH STRATEGIES

### 1. Expand the Geographical reach and sales force

We plan to expand our geographic reach and sales force by scaling up operations in both new and existing territories. We are constantly expanding our sales team which is crucial to effectively penetrate new cities and markets. Our sales team has gone up from 53 in Financial Year 2022 to 133 as of 31<sup>st</sup> March 2024. We are looking at expanding in Tier 2 markets like Nashik, Baroda, Rajkot, Udaipur, Jodhpur, Ranchi etc.

### 2. Launch New Brands and Covering New healthcare categories

Launching new brands and exploring new healthcare segments to sustain growth through innovation and expanded market presence. Introducing products tailored for professional care, home care, and Aesthetic Devices, the company aims to meet evolving market demands and attract new customers. This includes expanding their reach beyond dermatologists to include plastic surgeons, maxillo-facial surgeons, obstetricians, gynaecologists, and other specialized medical professionals.

### 3. Focus on increasing revenue from “Own Brands”

We aim to strategically focus on producing Aakaar-branded products having registered brand trademarks in India. Such products would be products created from our formulations and manufactured via third party loan licensing agreements. The focus on this strategy is also evident from our revenue share from Own Brands which has increased from INR 4.87 crores in Financial Year 2022 to INR 13.60 crores in Financial Year 2024 witnessing a CAGR of 67%.

## OUR BUSINESS RELATIONSHIPS

We have key arrangements with loan licensing partners, distribution agents & foreign in-licensing partners which are key parties for our business. Below is a brief on these relationships :-

### 1. *Third party loan licensing Agreement*

We have entered into loan licensing agreements with two partners where Aakaar products are manufactured as well as tested at their facilities as per the specifications and formulas provided by Aakaar. All the procurement from raw materials to the packaging is being done by the loan licensor as approved and advised by Aakaar. All the products manufactured under the loan licensing Agreement are labelled as manufactured and marketed by Aakaar.

Currently we have loan licensing Agreements with two of our partners :-

Name of the laboratory	Location	Are they certified to test aesthetic products	Is the facility of the manufacturer fully approved	Certification Available	Validity of loan licensing agreement
Highbrow Healthcare	Navsari, Gujarat	Yes	Yes	FDA License and GMP	01 <sup>st</sup> April 2027
Curetech Skincare	Baddi, Himachal Pradesh	Yes	Yes	Manufacturing license, GMP and ISO certificate	4 <sup>th</sup> October 25

## 2. **Agreement with Consignment Sales Agent (CSA)**

Our Company has entered into a CSA agreement dated June 26, 2023 along with supplementary/addendum agreements signed dated 11<sup>th</sup> September 2023 & dated July 01, 2024(for the purpose of data security and maintenance of company related data on the software as well as revision in pricing) with Parekh integrated Services Pvt. Ltd., for warehousing and distribution facility service across India. Under this arrangement, the CSA agent is responsible for storage and maintenance of stocks on behalf of the company and delivering the stock to the customers as directed by the company. In accordance with the CSA agreement, our company delivers and maintains one month stock at PISPL warehouse based on the sales estimated by the CSA. This stock is then transferred by PISPL to their pan India warehouse based on an expected demand sheet provided by Aakaar. Post which the on-ground sales team receives orders from doctors, clinic chains or sales head etc. and passes on the same for execution to PISPL. This arrangement helps the company to have a pan India presence by leveraging the strengths of PISPL.

In this model below are the key responsibility of PISPL -

- It shall carry out all the security procedures required to be undertaken for the management of receipt of goods at warehouse and storage of material such as security checks, physical verification, documents generation and monitoring stock inward process.
- Carry-out the customer return request and monitor the process of pickup of company material from the customer's.
- It shall deliver and dispatch the company products to end customers as per the agreed outward process of picking, packing, checking and dispatch.
- It shall transfer the stock from its centralized warehouse to other warehouses across regions by issuing stock transfer note.
- CSA shall follow-up on outstanding from the customers in line with the procedure prescribed by the Company.
- It shall maintain all the data related to the customers, Inventory, Order details etc. on the Etendo Software and provide access to the company on the data as & when required.

In consideration to the services rendered PISPL receives a fixed commission on the gross sales of the products. PISPL will bear the cost of warehousing & distribution from PISPL to the end clients.

## 3. **In-licensing agreement/tie-ups with brands -**

We have entered into in-licensing agreements/tie-ups with global brands to market and sell their selected products in India. According to these agreements, Aakaar holds Pan-India distribution for products of renowned international aesthetic brands(mentioned in the table below). We market and distribute these products in India. We are associated with majority of these brands for at least 5 years or more.

Below is a overview of the key association with our import partners :-

Name of the Company	Brand Name	Association from(year)	Exclusivity in India*	Country	Agreement Signed
Laboratorio Innoaesthetics, S.L.U	InnoAesthetics & Meline	2010	Yes	Spain	Yes
Theraderm Co. Ltd	Theraderm	2011	Yes	South Korea	Yes
Medytox Inc.	Siax	2016	No	South Korea	Yes
Alfa Medical	Alfa Aquilift	2014	Yes	South Korea	Yes
Regenera Worldwide S.L.	Activa Regenera	2023	Yes	Spain	Yes
Croma-Pharma GmbH***	Saypha Filler	2018	NA	Austria	No

*\*Exclusivity in India is for selected products as per the Agreement*

*\*\*\*Croma Agreement is currently under renewal but we continue to sell products of Croma as of date through a third party who has the product registration of the Brand in India with Aakaar having the distribution rights.*

## CASE STUDIES

### Case Study 1: Own brand

Etelume brand– Moisture Skin booster Serum mask

**êtelume®** 2.1% Pure HA++  
Intense Hydrating Skin Booster Serum Mask

#### **Problem:**

In the present situation, due to the huge exposure to extrinsic factors like pollutants, UV radiations, poor nutrition etc , skin undergoes drastic changes like

- Dryness and Flakiness: Lack of moisture can lead to dry, flaky skin, making it feel rough and uncomfortable.
- Itchiness: Dry skin often results in itchiness, which can lead to scratching and further skin irritation or damage.
- Premature Aging: Without adequate hydration, skin can lose elasticity and develop fine lines and wrinkles more quickly.
- Cracked Skin: Severe dryness can cause the skin to crack, which can be painful and increase the risk of infections.
- Dull Appearance: Lack of moisture can make the skin look dull and tired, as it loses its natural glow.

Moisturizers/ Moisturizing lotion/Moisturizing Booster mask should be a major part of our daily skincare routine as in the present scenario, skin drying out is a common problem . There are different types including face moisturizers, body moisturizers in which some are creams, some are lotions, some are serums.

#### **Solution:**

We have come up with solution, etelume 2.1% Pure HA++ Intense Hydrating Skin Booster Serum Mask which can be applied day and night, which allows super charged moisturization, Repairs skin barrier, preventing trans epidermal water loss ,improves healthy cell turnover, reduces redness, reduces lines and wrinkles and makes the skin soft, smooth and supple.

The above ingredients in the etelume 2.1% pure HA++ benefit our skin as below:

- Super charged moisturization - Forms hydration film on the skin and stimulates the production of skin own Hyaluronic acid and collagen.
- Polyvalent moisturizing agent - Reinforces the barrier effect, optimizes water reserves and maximizes the water circulation within the epidermis.
- Unique skin identical carbohydrate complex- Strengthens skin barrier functions, also normalizes the desquamation and up regulates the filaggrin, Ioricin and hyaluronan synthase 3.
- Fortifies and strengthens the skin moisture barrier - Prevents damage on the stratum corneum, Reconstitutes skin barrier and provides persistent moisturization after application.
- Potential antioxidant and anti-inflammatory - Up regulates the synthesis of Ceramides, stimulates the keratinocyte differentiation resulting in thicker stratum corneum.
- Restores Natural Skin Barrier - Accelerates epidermal tissue regeneration, improves hydration and Activates fibroblast proliferation.
- Penetration Enhancer - Increases the Concentration of actives , improves and increases the solubilizing capacity.

#### **Conclusion:**

etelume 2.1% pure HA++ is a premium performance giving product which redefines and restructure the skin with benefits of moisturization and rejuvenation for 72 hrs in single application with no reports of adverse effects ,

99.98% pure and safe, USFDA approved and non-irritant and well tolerated.

### **Case Study 2 – Imported Brand**

#### **Saypha Dermal Fillers**

saypha®  
filler

#### **Problem**

In the present situation, due to the intrinsic factors (Genetics, pregnancy, hormonal changes etc) and external factors (Chemical exposure, UV radiation, pollutants, smoking, poor nutrition, stress, facial expressions etc.) people undergo lot of issues, which includes the following:

- Wrinkles and Fine lines: As the skin ages, it loses elasticity and moisture leading to the formation of wrinkles and fine lines particularly around eyes, mouth and forehead.
- Volume Loss: The face loses volume over time which leads to hollow or sunken appearance in areas like cheeks and under eyes. This makes a person look older or more tired.
- Sagging skin: With the loss of collagen and elastin over time, skin starts to sag and it is most often noticeable in jawline, neck and cheeks.
- Dryness and Dehydration: Hyaluronic acid is naturally present in the skin and helps retain moisture. Without adequate HA, the skin can become dry and dehydrated, leading to a dull and tired appearance.
- Loss of Lip Fullness: Lips can become thinner and lose their shape with age.
- Self-esteem and Confidence: Many people find that visible signs of aging can affect their self-esteem and confidence.

Skin fillers, also known as dermal fillers, are substances injected into the skin to restore volume, smooth out wrinkles, and enhance facial contours. The science behind fillers involves their composition, how they interact with the skin, and their effects over time. There are different types of fillers:

- Hyaluronic Acid (HA) Fillers.
- Calcium Hydroxylapatite (Ca Ha) Fillers.
- Poly-L-lactic Acid (PLLA) Fillers.
- Polymethylmethacrylate (PMMA) Fillers.

#### **Solution**

We, Aakaar Medical Technologies has come up with solution **Saypha®HA filler Range from Croma an imported brand from Austria** which corrects the facial lines and wrinkles, lip augmentation, nasolabial folds by boosting the skin with hyaluronic acid.

Saypha®HA filler is the first MDA - Approved HA filler from the world's largest NO-Touch HA filler plant. The unique combination of high molecular weight hyaluronic acid, a reliable production process ensure predictable results and the Macro Core Technology allows the manufacturing of product with predefined viscoelastic characteristics and contribute to product purity.

For Lip augmentation, we have **Saypha®filler lidocaine**, the versatile lip filler for correcting nasolabial folds and for lip augmentation.

Key Benefits of Saypha® filler Lidocaine for the lip augmentation:

- Soft, suitable for superficial injection and able to hold their shape and position over time.
- Represents the optimal choice when easiness of spread and gentle transitions is required.
- Shorter and medium chain, cross linked hyaluronic acid-based product.

Clinical Evidence of Saypha® filler Lidocaine

- 97% Results in lip improvement in 6<sup>th</sup> week.
- 96.4% aesthetic improvement in 6<sup>th</sup> month.

- High patient satisfaction with lips in 6<sup>th</sup> month.

#### Conclusion:

Saypha® Filler with Lidocaine is an ultimate and versatile solution for the correction of nasolabial folds and Lip augmentation. Made in Austria in the World's largest NO touch HA plant, with more than 1000 users in India itself while marketing in 72 countries, with 100 million syringes manufactured.

#### INVENTORY

To carry out the business operations of the company, we require to keep an inventory of various finished products, devices as well as certain spare parts of the devices.

Following is the age wise inventory details as at August 2024:

(₹ in Lakhs)							
Days Outstanding	0-30	30-90	90-180	180-270	270-365	365 & Above	TOTAL
Consumable	124.91	168.76	383.72	38.58	51.93	27.64	795.55
System	0.00	1.91	105.39	47.06	21.06	305.80	481.22
Spare Parts	4.25	10.56	8.83	10.68	5.79	188.84	228.96
<b>TOTAL</b>	<b>129.17</b>	<b>181.23</b>	<b>497.93</b>	<b>96.33</b>	<b>78.78</b>	<b>522.29</b>	<b>1505.73</b>

**Devices Inventory more than 180 days :-** Aesthetic devices are generally procured in bulk to leverage supplier discounts. Also educating the market and building awareness about the device's unique benefits takes time among the customers.

**Spare parts inventory more than 180 days :-** We have to maintain certain spare parts of the aesthetic devices sold by them as a critical aspect of customer service, operational efficiency, and trust-building for addressing an immediate repairs and replacement request from clients

**Aesthetic Products Inventory more than 180 days :-** A lot of imported brand products are shipped in Bulk with a time gap which can range from 1-4 month's and therefore some stock remains unsold from the same. The major reason for this is to lower ordering costs and benefit from economies of scale (e.g., discounts for bulk purchases or reduced transportation costs per unit)

#### HUMAN RESOURCE

Below is a list of the number of employees working in various departments of our business operations as of January 31, 2025

Sr no.	Department	Employee count as of 31 <sup>st</sup> January 2025
1.	Accounts	9
2.	Sales	130
3.	Service	4
4.	Admin	8
5.	HR	2
6.	Sales Support	4
7.	Logistic	4
8.	Marketing	8
9.	Legal	1
	<b>Total</b>	<b>170</b>

Below is the details of number of employees YOY as at the end of each year and attrition rate of the company:

Particulars	five- month period ending August 2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
Number of Employees	168	168	124	84
Attrition Rate**	25.00%*	28.77%	23.08%	22.37%

\*not annualised

\*\*Attrition rate is calculated based on actual number of employees leaving the organization divided by average number of employees during the year

## INSURANCE

We maintain a range of insurance policies to cover our assets, risks and liabilities. We constantly evaluate the potential risks to sufficiently cover all the known risks and avoid future loss due to any damage caused. Below mentioned are the details of the insurance policies maintained by the company:

Policy No	Type of Policy	Policy Period	Nature of Coverage	Policy Issuing Office	Total Sum Assured
FGP-1S-24-7010912-03-000	Group Personal Accident	May 30, 2024 to May 29, 2025	Accidental Death, Permanent Total Disablement, Permanent Partial Disablement, Temporary Total Disablement and Accidental Medical expenses	Future Generali India Insurance Co. Ltd	Rs. 3,70,00,000
261400112410000367	Stock Insurance Policy	September 09, 2024 to September 08, 2025	Stock, building, office furniture, material, wiring, electricity equipments, machines/accessories	National Insurance Company Limited	Rs. 16,00,00,000
FGH-1S-24-7004075-00-000	Group Health Insurance	May 30, 2024 to May 29, 2025	Maternity Coverage, Pre-Existing Diseases, Maximum Liability Limits, Opd Cover, Annual Health Checkup, Corporate Buffer, Room Rent Restriction	Future Generali India Insurance Co. Ltd	Rs. 3,92,00,000

## INTELLECTUAL PROPERTY

As on the date of this Draft Red Herring Prospectus, our Company has registered a total of 38 trademarks with the Registrar of Trademarks and made application for registration of 5 trademarks under the Trademarks Act, 1999, which are objected as on date.

## AWARDS

Excellence in Aesthetic Innovation & Service at Starz of India 2024



“Best New Launched Doctor Prescribed Skin Care Cosmetic Range in India” for Tubelite Brand Aakaar at GEA Awards 2019



## OUR PROPERTIES

Sr No.	Location of the Property	Type of office	State	Lease/ Rent	Tenure	Owned/ Lease/Leave/ and License/ Rent
1.	Office No.801, Heritage Plaza, Telli Galli Cross Road. Andheri (E) Mumbai – 400069	Non Residential Purpose	Mumbai, Maharashtra	Rs. 2,00,000/- per month (for the first 12 months), Rs. 2,20,000/- per month (for the next 12 months), Rs. 2,42,000/- per month (for the next 12 months), Rs. 2,66,200/- per month (for the next 12 months), Rs. 2,92,820/- per month (for the next 12 months).	January 01, 2025 to December 31, 2029	Leave and License agreement
2.	Office No. 802, Heritage Plaza, Telli Galli Cross Road. Andheri (E) Mumbai – 400069	Non Residential Purpose	Mumbai, Maharashtra	Rs. 1,00,000/- per month (for the first 12 months), Rs. 1,10,000/- per month (for the next 12 months), Rs. 1,21,000/- per month (for the next 12 months), Rs. 1,33,100/- per month (for the next 12 months), Rs. 1,46,410/- per month (for the next 12 months)	October 16, 2024 to October 15, 2029	Leave and License agreement
3.	B – 81 – B, LGF, Kalka Ji, New Delhi – 110019	Commercial Purpose	New Delhi	Rs. 28,000/- per month	May 01, 2024 to March 31, 2025	Rent agreement
4.	Shop No. 9, Ground Floor, Apna Ghar C.H.S.L., Telli Galli,	Non Residential Purpose	Mumbai, Maharashtra	Rs. 26,802/- per month (For first 24	January 01, 2025 to December 31, 2029	Leave and License agreement

Sr No.	Location of the Property	Type of office	State	Lease/ Rent	Tenure	Owned/ Lease/Leave/ and License/ Rent	
	Andheri (E), Mumbai - 400069			months) and Rs. 28,142/- per month <b>(For the next 36 months)</b>			
5.	Gala No. 4, Ground Floor, Apna Ghar C.H.S.L., Telli Galli, Andheri (E), Mumbai - 400069	Non Residential Purpose	Mumbai, Maharashtra	Rs. 26,802/- per month <b>(For first 24 months)</b> and Rs. 28,142/- per month <b>(For the next 36 months)</b>	January 01, 2025	December 31, 2029	Leave and License agreement
6.	Shop No. 5, Ground Floor, Apna Ghar C.H.S.L., Telli Galli, Andheri (E), Mumbai - 400069	Non Residential Purpose	Mumbai, Maharashtra	Rs. 13,401/- per month <b>(For first 24 months)</b> and Rs. 14,071/- per month <b>(For the next 36 months)</b>	January 01, 2025	December 31, 2029	Leave and License agreement
7.	Flat No. 101, First Floor, Venkata Ramana Colony, KPHB, Hyderabad - 500085, India.	Office Purpose	Hyderabad, Telangana	Rs.14,000/- per month	June 1, 2024	12 months from the date of commencement	Rental Agreement
8.	Office No. 20 (Old No. 364), Ground Floor, Anujay, SreeNilayam, 42 <sup>nd</sup> cross, 1 <sup>st</sup> main, 8 <sup>th</sup> Block Jayanagar, Bangalore - 560070	Commercial Purpose	Bangalore, Karnataka	Rs. 18,900/- per month	March 10, 2024	11 months from the date of comment*	Rental Agreement

\*Company is in the process of renewal of the same

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## KEY REGULATIONS AND POLICIES IN INDIA

*In carrying on our business as described in the section titled “**Our Business**” on page 129, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see “**Government and Other Statutory Approvals**” on page 245.*

*Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company’s businesses. Our Company is required to obtain and regularly renew certain licenses/registrations and/or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.*

*Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company:*

### **A. Industry related legislation**

#### ***Drugs and Cosmetics Act, 1940 (the “DCA”) and the Drugs and Cosmetics Rules, 1945 (the “DCA Rules”)***

The DCA regulates the import, manufacture, distribution and sale of drugs and cosmetics and prohibits the import, manufacture and sale of certain drugs and cosmetics which are, inter alia, misbranded, adulterated, spurious or harmful. The DCA and DCA Rules specify the requirement of a license for the manufacture or sale of any drug or cosmetic including for the purpose of examination, testing or analysis. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities. Any violations of the provisions of the DCA, including those pertaining to the manufacturing and import of spurious drugs, non-disclosure of specified information and a failure to keep the required documents are punishable with a fine, or imprisonment or both.

The DCA Rules lay down the functions of the central drugs laboratory established under Section 6 of the DCA. Under the DCA Rules, an import license is required for importing drugs. The form and manner of application for import license has also been provided under the DCA Rules.

#### ***The Essential Commodities Act, 1955 (the “ECA”)***

The ECA empowers the Central Government, to control production, supply and distribution, trade and commerce in certain essential commodities for maintaining or increasing supplies or for securing their equitable distribution and availability at fair prices or for securing any essential commodity for the defence of India or the efficient conduct of military operations. Using the powers under it, various ministries/departments of the Central Government have issued control orders for regulating production, distribution, quality aspects, movement and prices pertaining to the commodities which are essential and administered by them. The State Governments have also issued various control orders to regulate various aspects of trading in essential commodities such as food grains, edible oils, pulses kerosene, sugar and drugs. Penalties in terms of fine and imprisonment are prescribed under the ECA for contravention of its provisions.

#### ***National Pharmaceuticals Pricing Policy, 2012 (the “2012 Policy”)***

The 2012 policy intends to provide the principles for pricing of essential drugs specified in the National List of Essential Medicines – 2011 declared by the Ministry of Health and Family Welfare, Government of India and modified from time to time (the National List of Essential Medicines – 2022 (“NLEM”) was notified on September 13, 2022), in order to ensure the availability of such medicines at reasonable price,

while providing sufficient opportunity for innovation and competition to support the growth of the industry. The prices are regulated based on the essential nature of the drugs. Further, the 2012 Policy regulates the price of formulations only, through market-based pricing which is different from the earlier principle of cost-based pricing. Accordingly, the formulations will be priced by fixing a ceiling price and the manufacturers of such drugs will be free to fix any price equal to or below the ceiling price.

#### ***Drugs, Medical Devices and Cosmetics Bill, 2022 (the “Drugs Bill, 2022”)***

The Ministry of Health and Family Welfare, Government of India, released a draft of the Drugs Bill, 2022 on June 22, 2022. The Drugs Bill, 2022 is proposed to amend and consolidate the laws relating to, inter alia, import, manufacture, distribution and sale of drugs and medical devices and cosmetics as well as the law relating clinical trials of new drugs and clinical investigation of investigational medical devices. The Drugs Bill, 2022 lays down the standards of the quality of imported drugs and cosmetics and circumstances under which these would be deemed to be adulterated, spurious and misbranded. Under the Drugs Bill, 2022, the central government has the power to prohibit or restrict or regulate the import of drugs and cosmetics in public interest including to meet the requirements of an emergency arising due to epidemic or natural calamities. Further, it lays down the standards of quality for manufacture, sale and distribution of drugs and cosmetics and clinical trial of drugs. The Drugs Bill, 2022 also proposes establishment of several boards and committees to assist and advise the Central and State Governments in the administration and regulation of drugs, cosmetics and medical devices.

#### ***Cosmetics Rules, 2020 (the “Cosmetic Rules”)***

The Cosmetic Rules, notified under the DCA, provides that no cosmetic shall be imported into India unless the product has been registered in accordance with these rules by the central licensing authority i.e., the Drugs Controller General of India, appointed by the Central Government. Further, any person who intends to manufacture cosmetics shall make an application for grant of a license or loan license to manufacture for sale or for distribution to the state licensing authority. Also, it needs to be ensured that if cosmetics are manufactured at more than one premises, a separate license is obtained for each such premises. Under the Cosmetic Rules, each batch of the raw materials used for manufacturing the cosmetics, and also each batch of the final product is required to be tested and the records or registers showing the particulars in respect of such tests is required to be maintained. The Cosmetic Rules further prescribes the labelling and packaging requirements to be followed for sale or distribution of cosmetics of Indian origin.

#### ***The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 (the “DMRA”)***

The DMRA seeks to control advertisements of drugs in certain cases and prohibits advertisement of remedies that claim to possess magic qualities. In terms of the DMRA, advertisements include any notice, circular, label, wrapper or other document or announcement. It also specifies the ailments for which no advertisement is allowed and prohibits advertisements that misrepresent, make false claims or mislead. Further, the Drugs and Magic Remedies (Objectionable Advertisements) Rules, 1955 have been framed for effective implementation of the provisions of the DMRA.

#### ***The Narcotic Drugs and Psychotropic Substances Act, 1985 (the “NDPS Act”)***

The NDPS Act is a legal framework which seeks to control and regulate operations relating to narcotic drugs and psychotropic substances. It prohibits, inter alia, the cultivation, production, manufacture, possession, sale, purchase, transportation, warehousing, consumption, inter-state movement, import into India and transshipment of narcotic drugs and psychotropic substances, except for medical or scientific purposes. It also controls and regulates controlled substances which can be used in the manufacturing of narcotic drugs and psychotropic substances. Offences under the NDPS Act are essentially related to violations of the various prohibitions imposed under the NDPS Act and are punishable by either imprisonment or monetary fines or both.

### ***Information Technology Act, 2000 (the “IT Act”)***

The IT Act, inter alia, seeks to provide legal recognition to transactions carried out by various means of electronic data interchange and other means of electronic communication and facilitate electronic filing of documents and create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information generated, transmitted, received or stored in any computer source in the interest of sovereignty, integrity, defence and security of India, among other things.

### ***Consumer Protection Act, 2019 (the “Consumer Protection Act”)***

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It inter alia seeks to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

### ***The Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 (the “Advertisement Guidelines”)***

The Advertisement Guidelines provide for the prevention of false or misleading advertisements and making endorsements relating thereto. The Advertisement Guidelines inter alia applies to a manufacturer and to all advertisements regardless of form, format or medium. The Advertisement Guidelines lays down the conditions for non-misleading and valid advertisement and prohibit surrogate or indirect advertisements of goods or services whose advertising is prohibited or restricted by law, by portraying it to be an advertisement for other goods or services, the advertising of which is not prohibited or restricted by law. Further, the Advertisement Guidelines lay down duties of a manufacturer and provide that every manufacturer shall ensure that all descriptions, claims and comparisons in an advertisement which relate to matters of objectively ascertainable facts shall be capable of substantiation.

### ***Food Safety and Standards Act, 2006 (the “FSSA”) and rules and regulations made thereunder***

The FSSA was enacted with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India (“FSSAI”) for laying down scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The FSSA sets out requirements for licensing and registering food businesses, general principles for food safety, and responsibilities of the food business operator and liability of manufacturers and sellers. The FSSA also lays down penalties for various offences including the recall procedures.

The FSSAI has also framed, among others, the following food safety and standards regulations in relation to various food products and additives:

- Food Safety and Standards Rules, 2011;
- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- Food Safety and Standards (Food Recall Procedure) Regulations, 2017;
- Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011;
- Food Safety and Standards (Contaminants, Toxins and Residues) Regulations, 2011;

- Food Safety and Standards (Packaging) Regulations, 2018; and
- Food Safety and Standards (Labelling and Display) Regulations, 2020.

### **Taxation related legislations**

The Goods and Services Tax (“GST”) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, the Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 (“CGST”), relevant state’s Goods and Services Act, 2017 (“SGST”), Union Territory Goods and Services Act, 2017 (“UTGST”), Integrated Goods and Services Act, 2017 (“IGST”), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Further, the Income-tax Act, 1961 (the “Income Tax Act”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the Income Tax Act or rules made there under depending upon its “Residential Status” and “Type of Income” involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

### ***Customs Act, 1962 (“Customs Act”)***

The Customs Act, as amended, regulates import of goods into and export of goods from India by providing for levy and collection of customs duties on goods in accordance with the Customs Tariff Act, 1975. Any company requiring to import or export goods is required to obtain an Importer Exporter Code under Foreign Trade (Development and Regulation) Act, 1992. Customs duties are administered by Central Board of Indirect Tax and Customs under the Ministry of Finance.

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

- Indian Stamp Act, 1899 and various state-wise legislations made thereunder; and
- State-wise legislations in relation to professional tax.

## **B. Laws Relating to Employment**

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers’ rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include, among others, the following: (i) Contract Labour (Regulation and Abolition) Act, 1970; (ii) Relevant state specific shops and commercial establishment legislations; (iii) Employees’ Provident Funds and Miscellaneous Provisions Act, 1952; (iv) Employees’ State Insurance Act, 1948; (v) Minimum Wages Act, 1948; (vi) Payment of Bonus Act, 1965; (vii) Payment of Gratuity Act, 1972; (viii) Payment of Wages Act, 1936; (ix) Maternity Benefit Act, 1961; (x) Apprenticeship Act, 1961; (xi) Equal Remuneration Act, 1976; (xii) Employees’ Compensation Act, 1923; and (xiii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 In order to rationalize and reform labour laws in India, the Government has enacted the following codes, which will be brought into force on a date to be notified by the Central Government:

### **Code on Wages, 2019**

The Code on Wages regulates and amalgamates wage and bonus payments and subsumes four existing laws namely –the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employee. The

Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the central advisory board.

### **Code on Social Security, 2020**

The Code on Social Security amends and consolidates laws relating to social security, and subsumes various social security related legislations, *inter alia* including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, Building and Other Construction Worker's Welfare Cess Act, 1996 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund Organisation and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Factories Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

## **C. Intellectual Property Laws**

### **The Patents Act, 1970**

The Patents Act, 1970 governs the patent regime in India. India is a signatory to the Trade Related Agreement on Intellectual Property Rights (“**TRIPS**”); Under the Indian Patents Act, 1970 (the “Patent Act”) term invention means a new product or process involving an inventive step capable of industrial application. A patent under the Patent Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product. The Patents Act, 1970 provides for the following:

- Recognition of product patents in respect of food, medicine and drugs;
- Patent protection period of 20 years;
- Patent protections allowed on imported products; and
- Under certain circumstances, the burden of proof in case of infringement of process patents may be transferred to the alleged infringer.

The Patents (Amendment) Act, 2005 has made certain changes to the Patents Act, 1970 (“Patents Act”). The definition of inventive step in the Patents Act has been amended to exclude incremental improvements or ever greening of patents. Now, (a) an inventive step must involve a technical advance as compared to the existing knowledge or must have economic significance or both, and (b) the invention must be non-obvious to a person skilled in the art. Section 3(d) of the Patents Act has been amended to exclude the following from the definition of patents:

- the mere discovery of a new form of a known substance which does not result in the enhancement of the known efficacy of that substance, or
- The mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant.

### **The Trademarks Act, 1999 (“Trademarks Act”)**

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. Section 18 of the Trademarks Act requires that any person

claiming to be the proprietor of a trademark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewals.

#### **D. Foreign Investment Regulations**

The foreign investment in India is governed, among others, by the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("FEMA Rules") and the consolidated FDI policy (effective from October 15, 2020) issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion ("FDI Policy")), each as amended. Further, the Reserve Bank of India has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 on October 17, 2019 which regulates mode of payment and remittance of sale proceeds, among others. The FDI Policy and the FEMA Rules prescribe inter alia the method of calculation of total foreign investment (i.e. direct foreign investment and indirect foreign investment) in an Indian company.

#### ***Foreign Trade (Development and Regulation) Act, 1992 ("FTDRA"), the Foreign Trade (Regulation) Rules, 1993 ("FTRR") and the Foreign Trade Policy 2015-2020 ("Foreign Trade Policy")***

The FTDRA provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTDRA empowers the Central Government to formulate and amend the foreign trade policy. The FTDRA prohibits any person from making an import or export except under an Importer-exporter Code Number ("IEC") granted by the director general or any other authorised person in accordance with the specified procedure. The IEC may be suspended or cancelled if the person who has been granted such IEC contravenes, amongst others, any of the provisions of the FTDRA, or any rules or orders made thereunder, or the foreign policy or any other law pertaining to central excise or customs or foreign exchange. The FTDRA also prescribes the imposition of penalties on any person violating its provisions. The FTRR prescribes the procedure to make an application for grant of a license to import or export goods in accordance with the foreign trade policy, the conditions of such license, and the grounds for refusal of a license. The FTDRA empowers the Central Government to, from time to time, formulate and announce the foreign trade policy. The Foreign Trade Policy came into effect in 2017 and requires all importers and exporters to obtain an IEC. Further, pursuant to the policy, the Director General of Foreign Trade may impose prohibitions or restrictions on the import or export of certain goods, for reasons including the protection of public morals, protection of human, animal or plant life or health, and the conservation of national resources. The Foreign Trade Policy also prescribes restrictions on imports or exports in relation to specific countries, organisations, groups, individuals or products. The Foreign Trade Policy also provides for various schemes, including the export promotions capital goods scheme and duty exemption/remission schemes. India's current Foreign Trade Policy (2015-20) (as extended until September 30, 2022 and thereafter, extended till March 31, 2023) envisages helping exporters leverage benefits of GST, closely monitoring export performances, increasing ease of trading across borders, increasing realization from India's agriculture-based exports and promoting exports from MSMEs and labour-intensive sectors.

#### ***Foreign Exchange Management Act, 1999 ("the FEMA") and Rules and Regulations thereunder***

Export of goods and services outside India is governed by the provisions of the Foreign Exchange Management Act, 1999, read with the applicable regulations. The Foreign Exchange Management (Export of goods and services) Regulations, 2000 have been superseded by the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 ("Export of Goods and Services Regulations 2015") issued by the RBI on January 12, 2016 (last amended on June 23, 2017). The RBI has also issued a Master Circular on Export of Goods and Services. The export is governed by these Regulations which make various provisions such as declaration of exports, procedure of exports as well as exemptions.

## **E. Other Applicable Laws**

### ***The Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")***

The MSMED Act, was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("MSME"). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated June 1, 2020 revising definition and criterion and the same came into effect from July 1, 2020. The notification revised the definitions as "Micro enterprise", where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; "Small enterprise", where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; "Medium enterprise", where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

### ***Municipality Laws***

State governments are empowered to endow municipalities with such powers and authority as may be necessary to enable them to perform functions in relation to permitting the carrying on of trade and operations. Accordingly, State governments have enacted laws authorizing municipalities to regulate use of premises, including regulations for issuance of a trade license to operate, along with prescribing penalties for non-compliance.

### ***Shops and Establishments Legislations***

Under the provisions of local shops and establishments legislations applicable in different states, commercial establishments are required to be registered. Such legislations regulate the working and employment conditions of workers employed in shops and commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

### ***Fire Prevention Laws***

State governments have enacted laws that provide for fire prevention and life safety. Such laws may be applicable to our offices and Training Centres and include provisions in relation to providing fire safety and life saving measures by occupiers of buildings, obtaining certification in relation to compliance with fire prevention and life safety measures and impose penalties for non-compliance.

### ***Taxation Laws***

The tax related laws that are applicable to our Company include the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017 and the relevant state legislations for goods and services tax.

### ***Professional Tax***

Professional tax is a state level tax which is imposed on income earned by way of profession, trade, calling or employment. At present, professional tax is imposed only in Karnataka, Bihar, West Bengal, Andhra Pradesh, Telangana, Maharashtra, Tamil Nadu, Gujarat, Assam, Kerala, Meghalaya, Odisha, Tripura, Madhya Pradesh, and Sikkim.

### ***The Companies Act, 2013***

The Act deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the

main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between the set of competing factors, namely, management autonomy and investor protection.

### ***Competition Act, 2002***

The Competition Act, 2002 came into effect on June 1, 2011, and has been enacted to “prohibit anti-competitive agreements, abuse of dominant positions by enterprises” and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. The Act prohibits Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India.

### ***The Insolvency and Bankruptcy Code, 2016 (the “Code”)***

The Insolvency and Bankruptcy Code, 2016 cover Insolvency of companies, Limited Liability partnerships (LLPs), unlimited liability partnerships, and individuals. The IBC 2016 has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the process in a time bound manner. The code empowers any creditor of a Corporate Debtor (CD), irrespective of it being a Financial Creditor (FC) or Operational Creditor (OC) or secured or unsecured creditor, or the Corporate Debtor itself, to make an application before the Adjudicating Authority (AA) to initiate Corporate Insolvency Resolution Process (CIRP) against a Corporate Debtor, at their discretion, in the event of there being a default by the Corporate Debtor in payment of their dues for an amount as specified from time to time. On initiation of the Said CIRP, a resolution to be sought for the company within a time bound time period of 180 days

### **Other Laws**

In addition to the above, our Company is required to comply with the provisions of the Prevention of Corruption Act, 1988, Rent Control Act, and other applicable laws and regulations imposed by the Central and State Governments and other authorities for its day-to-day operations.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief History of our Company

Our Company was originally incorporated as ‘Aakaar Medical Technologies Private Limited’, a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated June 20, 2013 issued by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a public limited company pursuant to a resolution passed by our shareholders at an extraordinary general meeting held on July 19, 2024 and a fresh certificate of incorporation dated November 18, 2024 was issued by the Registrar of Companies, Mumbai, recording the change in the name of our Company from ‘Aakaar Medical Technologies Private Limited’ to ‘Aakaar Medical Technologies Limited’.

### Changes in the Registered Office of our Company since incorporation

There has been no change in the registered office of our Company since the date of incorporation.

### MAIN OBJECTS OF OUR COMPANY

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

*To carry on in India or abroad the business of distribution of Dermatology/Cosmetic Medicines, all kinds and varieties of disposable and non disposable surgical instruments, Medical Equipments, Medical Devices, kits to provide treatment in Dermatology and to buy, sell, manufacture, import, export, distribute and otherwise deal in all kinds and varieties of cosmetics, non prescribed drugs, health care products, health aids, glamour products. to start clinics in India and abroad related to above.*

### Amendments to the Memorandum of Association of our Company since incorporation

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

Date of Meeting	Meeting	Nature of Amendment
September 01, 2015	EGM	Clause V of the Memorandum of Association was amended to reflect the increase in the Authorized Share Capital of our Company from ₹1,00,000 divided into 10,000 Equity Shares of ₹10 each to ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each.
August 24, 2021	EGM	Clause V of the Memorandum of Association was amended to reflect the increase in the Authorized Share Capital of our Company from ₹10,00,000 divided into 100,000 Equity Shares of ₹10 each to ₹ 1,00,00,000 divided into 10,00,000 Equity Shares of ₹ 10 each.
July 19, 2024	EGM	Clause I of the Memorandum of Association of our Company to reflect the change in our name from ‘Aakaar Medical Technologies Private Limited’ to ‘Aakaar Medical Technologies Limited’.
February 13, 2025	EGM	Clause III B containing “Objects Incidental or Ancillary to the attainment of Main Objects” sub-clause no. 1 to 28 was deleted and replaced by Clause III(B) “Matters which are necessary for furtherance of the Objects specified in Clause III(A)” containing the sub-clause no. 1 to 32.  The existing Clause III C containing the “Other Objects” sub clause no. 1 to 27 was deleted in full.

### Major Events in the history of our Company

Year	Major Events / Milestone / Achievements
June 20, 2013	Incorporated as Aakaar Medical Technologies Private Limited.
October 5, 2016	Entered into licensing, marketing and distribution agreement with Medytox Inc., South Korea for launch of Siax.

<b>Year</b>	<b>Major Events / Milestone / Achievements</b>
June 5, 2017	Launched our own brands Tubelite.
July 21, 2017	Launched our own brand Balback.
April 1, 2018	Entered into a tripartite agreement with ACPL and Croma Pharma GmbH for launch of Saypha filler (earlier known as Princess).
December 9, 2017	Launched our own brand Lytec.
Ocotber 27, 2022	Launched our own brand Etrelum.
August 3, 2023	Launched our own brand Swyada.
April 01, 2023	Entered into exclusive agreement in licensing, marketing and distribution with Regenera Activa Worldwide S.L for launch of Regenera ActivaAMT.
July 21, 2023	Entered into exclusive agreement in licensing, marketing and distribution with Tesslift Co. Limited.
August 6, 2024	Launched our own brand Exoluxe and DRS1512.
September 2, 2024	Launched our Own brand Eoluxe.
November 18, 2024	Conversion of our Company from a private limited company to a public limited company.

### **Key awards, accreditations or recognitions**

The table below sets forth some of the awards, accreditations or recognitions received by us:

<b>Year</b>	<b>Particulars</b>
2019	Best New Launched Doctor Prescribed Skin Care Cosmetic Range in India.
2024	Excellence in Aesthetic Innovation & Service at Starz of India 2024.

### **Significant financial and strategic partnerships**

As of the date of this Draft Red Herring Prospectus, our Company does not have any significant financial or strategic partnerships.

### **Time/Cost Overrun in Setting up Projects**

As on the date of this Draft Red Herring Prospectus, our Company has not experienced any time/cost overrun in setting up any projects or business operations.

### **Launch of key products or services, entry into new geographies or exit from existing markets**

For details of entry into new geographies, see *“Major Events / Milestone / Achievements”* on page 163.

### **Defaults or rescheduling of borrowings with financial institutions/banks**

There have been no instances of rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our current borrowings from lenders.

### **Material acquisitions of businesses or divestment of business / undertakings, mergers, amalgamation or revaluation of assets, if any since incorporation**

Our Company has not made any material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. since its incorporation.

### **Capacity/facility creation, location of plants**

Our Company does not have any plants as on the date of this Draft Red Herring Prospectus.

### **Agreements with Key Managerial Personnel or Senior Management or Directors or Promoter or any other employee**

As on the date of the Draft Red Herring Prospectus, except as disclose under “*Terms of appointment of our Executive Directors and Compensation Paid*” on page 169, there are no agreements entered into by our Key Managerial Personnel or Senior Management or Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third-party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

### **Other confirmations**

There are no inter-se agreements/ arrangements to which the Company or any of its Promoters or Shareholders are a party to and therefore, there are no clauses/ covenants which are material and which needs to be disclosed, and that there are no other clauses / covenants in the inter-se agreements or arrangements or the Articles of Association which are adverse / pre-judicial to the interest of the minority / public shareholders of the Company and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in this Draft Red Herring Prospectus. Further, there are no agreements, deed of assignments, acquisition agreements, SHA, inter-se agreements, agreements of like nature to which the Company or any of its Promoters or Shareholders are a party.

There are no material clauses of our Articles of Association that have been left out from disclosures having bearing on the Issue or this Draft Red Herring Prospectus.

No Directors or KMPs of our Company are appointed pursuant any inter-se agreement/agreement to which our Company or any of its Promoters or Shareholders are a party to.

There is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of the Company) and the Company, Promoters, Promoter Group, Key Managerial Personnel and Directors.

There is no conflict of interest between the lessor of immovable properties and the Company, Promoters, Promoter Group, Key Managerial Personnel and Directors.

### **Details of guarantees given to third parties by our Promoters offering their Equity Shares in the offer for sale**

This is a fresh issue of Equity Shares and our Promoters are not offering their Equity Shares in the Issue.

### **Holding company**

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

### **Our subsidiaries**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries.

### **Details of our Associates**

As on the date of this Draft Red Herring Prospectus, our Company does not have any Associates.

### **Joint Venture of our Company**

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

## OUR MANAGEMENT

### Board of Directors

The Articles of Association require that our Board shall comprise of not less than three (3) Directors and not more than fifteen (15) Directors. As on the date of this Draft Red Herring Prospectus, we have five (5) Directors on our Board, comprising of two (2) Executive Directors (including one (1) Managing Director and one (1) CEO and Executive Director), one (1) Chairperson and Non-Executive Women Director and two (2) Independent Directors. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations.

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus.

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Designation	Other Directorships
<p><b>Dilip Ramesh Meswani</b></p> <p><b>Date of birth:</b> January 31, 1963</p> <p><b>Age (years):</b> 62</p> <p><b>Address:</b> 601, Tulsi Building, G B Indulkar Road, Opposite Vateshwar Hanuman Temple, Vile Parle (East), Mumbai – 400057, Maharashtra, India</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> For a period of five (5) years with effect from July 10, 2024</p> <p><b>Period of directorship:</b> Since June 20, 2013</p> <p><b>DIN:</b> 06540985</p>	<p>Managing Director</p>	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• Revigen Medicare Private Limited</li> </ul> <p><i>Foreign Companies</i></p> <p>Nil</p>
<p><b>Rahul Babasaheb Sawakhande</b></p> <p><b>Date of birth:</b> December 15, 1980</p> <p><b>Age (years):</b> 44</p> <p><b>Address:</b> Flat No 102, Ashapura Niwas, Plot No 12-13, Near Sun Darshan Society, Sector 10A, Nerul, Navi Mumbai – 400706, Thane, Maharashtra, India.</p> <p><b>Occupation:</b> Profession</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of directorship:</b> Since June 06, 2024</p>	<p>CEO and Executive Director</p>	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• Fatcutsweight Wellness (OPC) Private Limited.</li> </ul> <p><i>Foreign Companies</i></p> <p>Nil</p>

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Designation	Other Directorships
<p><b>DIN:</b> 08282783</p> <hr/> <p><b>Bindi Dilip Meswani</b></p> <p><b>Date of birth:</b> August 11, 1966</p> <p><b>Age (years):</b> 58</p> <p><b>Address:</b> 601, Tulsi Building, G B Indulkar Road, Opposite Vateshwar Hanuman Temple, Vile Parle (East), Mumbai – 400057, Maharashtra, India</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> For a period of five (5) years with effect from July 10, 2024</p> <p><b>Period of directorship:</b> Since June 20, 2013</p> <p><b>DIN:</b> 06594958</p>	<p>Chairperson and Non- Executive Director</p>	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• Revigen Medicare Private Limited</li> </ul> <p><i>Foreign Companies</i></p> <p>Nil</p>
<p><b>Deepanjan Periwal</b></p> <p><b>Date of birth:</b> December 01, 1984</p> <p><b>Age (years):</b> 40</p> <p><b>Address:</b> A-204, Abrol Vastu Park, Link Road, Near Ryan International School, Evershine Nagar, Malad (West), Mumbai - 400064, Maharashtra, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> For a period of five (5) years with effect from December 18, 2024</p> <p><b>Period of directorship:</b> Since December 18, 2024</p> <p><b>DIN:</b> 06957006</p>	<p>Independent Director</p>	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• Vyara Tiles Limited.</li> <li>• Desert Landscape India Private Limited.</li> <li>• RCRS Innovations Limited.</li> <li>• City First Financial Advisor Private Limited</li> </ul> <p><i>Foreign Companies</i></p> <p>Nil</p>
<p><b>Rajendra Indubhai Dhandhukia</b></p> <p><b>Date of birth:</b> December 15, 1960</p> <p><b>Age (years):</b> 64</p>	<p>Independent Director</p>	<p><i>Indian Companies</i></p> <p>Nil</p> <p><i>Foreign Companies</i></p> <p>Nil</p>

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Designation	Other Directorships
<p><b>Address:</b> B-2003, Sienna, Lodha Fiorenza, Western Express Highway, Goregaon (east), Next to Hub Mall, Mumbai - 400063 Maharashtra, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> For a period of five (5) years with effect from December 18, 2024</p> <p><b>Period of directorship:</b> Since December 18, 2024</p> <p><b>DIN:</b> 05157147</p>		

#### Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others. For details, see "*History and Certain Corporate Matters*" beginning on page 155.

#### Brief profiles of our Directors

**Dilip Ramesh Meswani** is the Managing Director and also one of the Promoters of our Company. He has completed his degree of Bachelor of Science from University of Bombay. He has also completed his Post Diploma in Medical Electronics from Shri Bhagubhai Mafatlal Polytechnic, Mumbai. He has been associated with our Company since June 20, 2013, as a Director and Promoter of our Company. He possesses over 24 years of experience in the fields of Medical Aesthetics. He is also an sole proprietor of Coherent Medical Systems from 1998. He is also a director in Revigen Medicare Private Limited from June 14, 2013. For further details see "*Our Promoters and Promoter Group*" beginning on page 182.

**Rahul Babasaheb Sawakhande** is the CEO and Executive Director of our Company. He has completed his degree of Bachelor of Surgery and Medicine from Maharashtra University of Health Science, Nashik and a Diploma in Business Management from the Institute of chartered Financial Analyst of Indian University, Tripura. He has been associated with our Company since December 02, 2015, as a Head of Business of our Company. In the past, he has worked with certain organizations such as Piramal Healthcare Limited, Abbott Healthcare Private Limited, Pfizer Limited and Galderma India Private Limited and holds over 15 years of experience in the fields of Dermatology and Medical Regulatory affairs.

**Bindi Dilip Meswani** is the Chairperson and Non-Executive Director of our Company. She has completed her degree of Master of Commerce from Maharaja Sayajirao University of Baroda. She has been associated with our Company since June 20, 2013, as a Director and Promoter of our Company. She possesses over 10 years of experience in the fields of Medical Aesthetics. She is also a director in Revigen Medicare Private Limited from June 14, 2013. For further details see "*Our Promoters and Promoter Group*" beginning on page 182.

**Deepanjan Periwal** is the Independent Director of our Company. He qualified as a Chartered Accountant from the Institute of Chartered Accountants of India. He has also completed her Bachelor of Commerce from Nagpur University, He has also completed a certification course on Senior Management Programme from Indian Institute of Management, Ahmedabad. He is also registered valuer from the Insolvency and Bankruptcy Board of India. He has been associated with our Company since December 18, 2024. In the past, he has worked with Ernst & Young LLP and presently is working with City First Financial Advisors Private Limited. He possesses over 15 years of experience in the fields of Accounts and Finance.

**Rajendra Indubhai Dhandhukia** is the Independent Director of our Company. He has completed his degree of Bachelor of Science from University of Bombay, he has also completed Diploma in Marketing and Sales Management from Bhartiya Vidya Bhavan, Mumbai and also a Certified Practitioner of narrative coach by Dr David Drake. He has been associated with our Company since December 18, 2024, previously he has been with worked with Abbott India Limited. He possesses over 15 years of experience in the fields of Pharmaceutical Industry.

#### **Relationship between Directors, Key Managerial Personnel and Senior Management Personnel**

Except Dilip Ramesh Meswani and Bindi Dilip Meswani who are husband and wife, none of our Directors are related to each other or to our Key Managerial Personnel or Senior Management Personnel.

#### **Service Contracts entered into by Director**

Other than the statutory benefits that the Directors are entitled to, upon their retirement, as per Company policies, they have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

#### **Terms of appointment of our Executive Directors and Compensation Paid**

The following table sets forth the terms of appointment of Dilip Ramesh Meswani with effect from July 10, 2024, for a period of five (5) years and details of the letter of appointment dated July 10, 2024, issued by our Company and received and agreed to by Dilip Ramesh Meswani.

<b>Sr. No.</b>	<b>Particulars</b>	<b>Salary and perquisites</b>
1.	Remuneration	Not exceeding ₹1.50 lakhs per month
2.	Perquisites and Benefits	<ol style="list-style-type: none"> <li>1. House Rent Allowance: 5% of the basic salary.</li> <li>2. Medical Expenses: Not Exceeding One Month Salary in a year or three months salary in a block of three years.</li> <li>3. Leave Travel Assistance: Expenses incurred for self and family in accordance with the Rules of the Company.</li> <li>4. Subject to a maximum of two clubs.</li> <li>5. Personal Accident Insurance Premium: Not exceeding Rs.8000/- p.a.</li> <li>6. Other Amenities: For Company's Business purpose, provisionof: <ol style="list-style-type: none"> <li>i. Car with chauffer; and</li> <li>ii. Cell Phone and Telephone and Internet facility at residence.</li> </ol> </li> </ol>
3.	Remuneration paid for Financial Year 2024	₹40.60 lakhs

The following table sets forth the terms of appointment of Rahul Babasaheb Sawakhande with effect from June 06, 2024 and details of the Employment Agreement dated July 25, 2024 issued by our Company and received and agreed to by Rahul Babasaheb Sawakhande.

<b>Sr. No.</b>	<b>Particulars</b>	<b>Salary and perquisites</b>
1.	Remuneration	₹75.00 lakhs per annum
2.	Perquisites and Benefits	Education Allowance, Conveyance, Medical Reimbursementt
3.	Remuneration paid for Financial Year 2024	₹75.00 lakhs

#### **Sitting Fees, Remuneration and Commission paid to our Non-executive Directors and Independent Directors**

Our Non-Executive Directors including Independent Directors are entitled to receive a sitting fee for attending

each meeting of our Board and attending each committee meeting of our Board as set out below:

Sr. No.	Name of Director	Date of Board Resolution	Amount (in ₹)
1.	Bindi Dilip Meswani	July 10, 2024	1.00 lakh per month
2.	Deepanjan Periwal	January 06, 2025	10,000 per Board of Directors meeting, 5,000 per Committee meeting and Commission of 1.00 lakh per financial year
3.	Rajendra Indubhai Dhandhukia	January 06, 2025	10,000 per Board of Directors meeting, 5,000 per Committee meeting and Commission of 1.00 lakh per financial year

### Bonus or profit-sharing plan for the Directors

Except for Dilip Ramesh Meswani who is entitled to performance incentive which shall not exceed 10% of net profit subject to EBITA crossing ₹ 15 crores (which shall be calculated before deducting performance incentive), our Company does not have any performance linked bonus or profit-sharing plan for our Directors.

### Shareholding of our Directors

Our Articles of Association do not require our Directors to hold any qualification shares.

The details of shareholding of our Directors as on the date of this Draft Red Herring Prospectus is set out below.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) <sup>*</sup>
1.	Dilip Ramesh Meswani	68,25,000	65.48
2.	Bindi Dilip Meswani	18,20,000	17.46
3.	Rahul Babasaheb Sawakhande	5,80,853	5.57
<b>Total</b>		<b>92,25,853</b>	<b>88.52</b>

### Contingent and/or deferred compensation payable to our Director, Whole-time Director, Managing Directors

There are no contingent or deferred compensation payable to our Managing Directors and Executive Director which does not form part of his remuneration.

### Borrowing Powers

In accordance with the applicable provisions of the Companies Act and our Articles of Association and pursuant to resolution passed by our shareholders dated July 19, 2024, our Board is authorized to borrow from time to time any sum or sums of money, where the money / monies to be borrowed, together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate of our Company's paid-up share capital, free reserves and securities premium, but the total amount that may be borrowed by the Board and outstanding at any point of time shall not exceed ₹10,000 Lakhs.

### Interest of Directors

Except for our Director, Dilip Ramesh Meswani who is entitled to performance incentive which shall not exceed 10% of net profit subject to EBITA crossing 15 crores (which shall be calculated before deducting performance incentive), our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any.

Except for our Director, Bindi Dilip Meswani is entitled to receive rent for the use of the Registered Office of our Company and to the extent of security deposit received against the said property. For further details please see "*Our Business – Properties*" and "*Restated Financial Statements – Note no. 30– Related Party Transactions*"

on page 153 and 215 respectively. Our Non-Executive Directors may be deemed to be interested to the extent of sitting fees payable to them by our Company for attending meetings of our Board or committees thereof.

Our Directors may be interested to the extent of Equity Shares, if any, held by them, or held by the entities in which they are associated as partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees and any dividend and other distributions payable in respect of such Equity Shares.

Except for loan issued to Rahul Babasaheb Sawakhande, none of our Directors have availed any loan from our Company.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

#### **Interest in property**

Except as stated in the section “*Our Business*” and “*Financial Information*”, beginning on pages 129, and 189, respectively, our Directors are not interested in any properties of the Company.

#### **Interest in promotion or formation of our Company**

Dilip Ramesh Meswani and Bindi Dilip Meswani are the promoters of the Company. For further details regarding our promoters, see “*Our Promoters and Promoter Group*” beginning on page 182.

#### **Business interest**

Except as stated in the sections titled “*Restated Financial Information – Note 30 - Related Party Transaction*” on page 215, our Directors do not have any other business interest in our Company.

#### **Confirmation**

None of our Directors is or was a director of any listed company whose shares have been or were suspended from being traded on any stock exchanges in India during the term of their directorship in such companies, in the last five years preceding the date of this Draft Red Herring Prospectus.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchanges, during the term of their directorship in such Companies.

None of our Directors have been declared as wilful defaulters or fraudulent borrowers.

No proceedings/ investigations have been initiated by SEBI against any company, the board of directors of which also comprises any of our Directors.

None of our Directors, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

#### **Confirmation in relation to RBI Circular dated July 1, 2016**

Neither our Company nor any of our Directors have been declared as fraudulent borrowers by RBI in terms of the RBI circular dated July 1, 2016.

#### **Changes in our Board during the last three years**

The changes in our Board of our Company during the last three years till the date of this Draft Red Herring Prospectus are set forth below:

<b>Name of Director</b>	<b>Date</b>	<b>Reason</b>
Rahul Babasaheb Sawakhande	June 06, 2024	Appointment as Additional Director
Dilip Ramesh Meswani	July 10, 2024	Change in Designation to Managing Director
Bindi Dilip Meswani	July 10, 2024	Change in Designation to Non-Executive Director
Rahul Babasaheb Sawakhande	July 19, 2024	Change in Designation to Executive Director
Deepanjan Periwal	December 18, 2024	Appointment as Independent Director
Rajendra Indubhai Dhandhukia	December 18, 2024	Appointment as Independent Director

## **Corporate Governance**

As on the date of this Draft Red Herring Prospectus, we have five (5) Directors on our Board, comprising of two (2) Executive Directors, one (1) Non-Executive Women Director and two (2) Independent Directors. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations.

The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all applicable requirements of the SEBI Listing Regulations and the Companies Act, as may be applicable.

## **Board committees**

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholders Relationship Committee;
- d) IPO Committee.

Details of each of these committees are as follows:

### **a) Audit Committee**

The Audit Committee was constituted pursuant to a meeting of our Board held on December 19, 2024.

The Audit Committee currently consists of:

1. *Deepanjan Periwal (Chairperson);*
2. *Rajendra Indubhai Dhandhukia (Member);*
3. *Dilip Ramesh Meswani (Member).*

Further, the Company Secretary and Compliance Officer of our Company shall act as the secretary to the Audit Committee.

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C.

1. oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;;

3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. formulation of a policy on related party transactions, which shall include materiality of related party transactions;
5. reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
6. examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions; and
  - g) Modified opinion(s) in the draft audit report.
7. reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
8. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
9. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
10. approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
 

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
11. scrutiny of inter-corporate loans and investments;
12. valuation of undertakings or assets of the Company, wherever it is necessary;
13. evaluation of internal financial controls and risk management systems;
14. reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. discussion with internal auditors of any significant findings and follow up there on;
17. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

18. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
20. looking into the reasons for substantial defaults in the payment to depositors, debenture holders, members (in case of non-payment of declared dividends) and creditors;
21. reviewing the functioning of the whistle blower mechanism;
22. monitoring the end use of funds raised through public offers and related matters;
23. overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
24. approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
25. carrying out any other functions required to be carried out as per the terms of reference of the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
26. consider and comment on rationale, cost- benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its members; and
27. to review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively; and
28. Such roles as may be prescribed under the Companies Act 2013, SEBI Listing Regulations and other applicable provisions.
29. Approve all related party transactions and subsequent material modifications.
30. **Mandatory review by the Audit Committee:** The Audit Committee shall mandatorily review the following:
  1. Management discussion and analysis of financial condition and results of operations;
  2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  3. Internal audit reports relating to internal control weaknesses;
  4. The appointment, removal and terms of remuneration of the chief internal auditor;
  5. Statement of deviations in terms of the SEBI Listing Regulations.
    - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of Regulation 32(1) of the SEBI Listing Regulations; and
    - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.
  6. review the financial statements, in particular, the investments made by any unlisted subsidiary.

**b) Nomination and Remuneration Committee:**

The Nomination and Remuneration committee was constituted by a resolution of our Board dated December 19, 2024.

The Nomination and Remuneration Committee currently consists of:

1. *Deepanjan Periwal (Chairperson);*
2. *Rajendra Indubhai Dhandhukia (Member);*
3. *Bindi Dilip Meswani (Member).*

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

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the “**Board**” or “**Board of Directors**”) a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”).

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- i. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  - ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company and its goals.
- (2) Formulation of criteria for evaluation of performance of independent directors and the Board;
  - (3) Devising a policy on Board diversity;
  - (4) Identifying persons who are qualified to become directors and who may be appointed as senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out effective evaluation of performance of Board, its committees and individual directors (including independent directors) to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
  - (5) Analysing, monitoring and reviewing various human resource and compensation matters;
  - (6) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
  - (7) Determining the Company’s policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
  - (8) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
  - (9) Reviewing and approving the Company’s compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
  - (10) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if applicable;
  - (11) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
    - a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; as applicable, and

- b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as applicable, by the trust, the Company and its employees, as applicable.
- (12) Administering monitoring and formulating detailed terms and conditions the employee stock option scheme/ plan approved by the Board and the members of the Company in accordance with the terms of such scheme/ plan (“**ESOP Scheme**”), if any;
  - (13) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/ or rescinding rules and regulations relating to the administration of the ESOP Scheme;
  - (14) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.
  - (15) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    - a) use the services of an external agencies, if required;
    - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
    - c) consider the time commitments of the candidates.

Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

**c) Stakeholders’ Relationship Committee**

The Stakeholder” Relationship Committee was constituted pursuant to a meeting of our Board held on December 19, 2024. The Stakeholder” Relationship Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders’ Relationship Committee currently consists of:

1. *Deepanjan Periwal (Chairperson);*
2. *Rajendra Indubhai Dhandhukia (Member);*
3. *Dilip Ramesh Meswani (Member).*

**d) Role of Stakeholders’ Committee**

The Stakeholders’ Relationship Committee shall be responsible for, among other things, as may be required under the applicable law, the following:

1. Considering and specifically looking into various aspects of interest of shareholders and other security holders;
2. Resolving the grievances of the security holders of the company including complaints related to transfer / transmission of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
3. Review of measures taken for effective exercise of voting rights by members; Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities.
4. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
5. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares

and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

6. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
7. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the members of the company; and
8. Carrying out such other functions as may be specified by the Board from time to time or specified / provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

**e) IPO Committee**

The Stakeholder” Relationship Committee was constituted pursuant to a meeting of our Board held on January 06, 2025. The IPO Committee.

1. *Dilip Ramesh Meswani, (Chairman of IPO Committee);*
2. *Rajendra Indubhai Dhandhukia (Member); and*
3. *Deepanjan Periwal (Member).*

**Role of IPO Committee:**

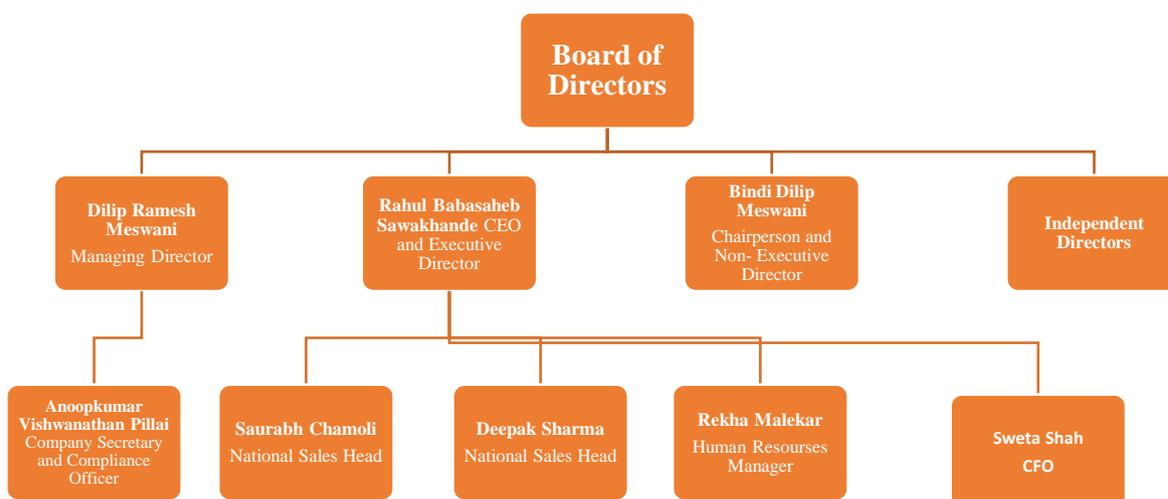
IPO Committee shall be responsible for, among other things, as may be required under the applicable law, the following:

1. to decide, negotiate and finalise the pricing, the terms of issue of the Equity Shares and all other related matters including the execution of the relevant documents with the investors, in consultation with the book running lead manager (“BRLM”) appointed in relation to the Issue.
2. to decide in consultation with the BRLM the actual size of the Issue and taking on record the number of equity shares, having face value of ₹ 10/- per equity share (the “Equity Shares”), and/or reservation on a competitive basis, and/or any rounding off in the event of any oversubscription and/or any discount to be offered to retail individual bidders or eligible employees participating in the Issue and all the terms and conditions of the Issue, including without limitation timing, opening and closing dates of the Issue, price band, allocation/allotment to eligible persons pursuant to the Issue, including any anchor investors, and to accept any amendments, modifications, variations or alterations thereto.
3. to appoint, instruct and enter into agreements with the BRLM, and in consultation with BRLM appoint and enter into agreements with intermediaries, co-managers, underwriters, syndicate members, brokers, escrow collection banks, auditors, independent chartered accountants, refund bankers, registrar, grading agency, monitoring agency, industry expert, legal counsel, depositories, custodians, credit rating agencies, printers, advertising agency(ies), and any other agencies or persons (including any successors or replacements thereof) whose appointment is required in
4. to make any alteration, addition or variation in relation to the Issue, in consultation with the BRLM or NSE Emerge or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact Issue structure and the exact component of issue of Equity Shares.
5. to finalise, settle, approve, adopt and arrange for submission of the draft red herring prospectus (“DRHP”), red herring prospectus (“RHP”) the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices, clarifications, reply to observations, addenda or corrigenda thereto, to appropriate government and regulatory authorities, NSE Emerge, the Registrar of Companies, Mumbai (“Registrar of Companies”), institutions or bodies.
6. to offer advertisements in such newspapers and other media as it may deem fit and proper, in consultation with the relevant intermediaries appointed for the Issue in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), Companies Act, 2013, as amended

- and other applicable laws.
7. to decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, and on permitting existing members to sell any Equity Shares held by them.
  8. to open separate escrow accounts to receive application monies from anchor investors/underwriters in respect of the bid amounts and a bank account as the refund account for handling refunds in relation to the Issue and in respect of which a refund, if any will be made.
  9. to open account with the bankers to the Issue to receive application monies in relation to the Issue in terms of Section 40(3) of the Companies Act, 2013, as amended.
  10. to do all such deeds and acts as may be required to dematerialize the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with the Central Depository Services (India) Limited, Registrar and Share Transfer Agents and such other agencies, as may be required in this connection, with power to authorise one or more officers of the Company to execute all or any such documents.
  11. to negotiate, finalise, sign, execute and deliver or arrange the delivery of the offer agreement, syndicate agreement, cash escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Issue, monitoring agency and the advertising agency(ies) and all other agreements, documents, deeds, memorandum of understanding and other instruments whatsoever with the registrar to the Issue, legal advisor, auditors, Stock Exchange, BRLM and other agencies/ intermediaries in connection with Issue with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents.
  12. to make any applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Stock Exchange, the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), Registrar of Companies and such other statutory and governmental authorities in connection with the Issue, as required under applicable laws, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the Prospectus.
  13. to make in-principle and final applications for listing and trading of the Equity Shares on one or more Stock Exchange, to execute and to deliver or arrange the delivery of the equity listing agreement(s) or equivalent documentation to the Stock Exchange and to take all such other actions as may be necessary in connection with obtaining such listing.
  14. to determine and finalize, in consultation with the BRLM, the price band for the Issue and minimum bid lot for the purpose of bidding, any revision to the price band and the final Issue price after bid closure, and to finalize the basis of allocation and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws and undertake other matters in connection with or incidental to the Issue, including determining the anchor investor portion, the Pre-IPO Placement, if any, in accordance with the SEBI ICDR Regulations.
  15. to offer receipts/allotment advice/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforementioned documents.
  16. to approve the code of conduct, suitable insider trading policy, whistle blower/vigil mechanism policy, risk management policy and other corporate governance requirements considered necessary by the Board or the IPO Committee or as required under applicable laws or the uniform listing agreement to be entered into by the Company with the relevant Stock Exchange.
  17. to seek, if required, the consent and waivers of the parties with whom the Company has entered into various commercial and other agreements such as Company’s lenders, joint venture partners, all concerned governmental and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Issue in accordance with the applicable laws.
  18. to determine the price at which the Equity Shares are issued, allocated, transferred and/or allotted to investors in the Issue in accordance with applicable regulations in consultation with the BRLM and/or any other advisors, and determine the discount, if any, proposed to be issued

- to eligible categories of investors.
19. to settle all questions, difficulties or doubts that may arise in relation to the Issue, as it may in its absolute discretion deem fit.
  20. to do all acts, deeds and things and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Issue.
  21. to authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage and remuneration in connection with the Issue.
  22. to withdraw the DP or RHP or to decide not to proceed with the Issue at any stage, in consultation with the BRLM and in accordance with the SEBI ICDR Regulations and other applicable laws.
  23. to determine the utilization of proceeds of the fresh issue, if applicable, and accept and appropriate proceeds of such fresh issue in accordance with the Applicable Laws.
  24. to undertake, do any act which may be required to complete the proposed public issue.
  25. to submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies and the relevant Stock Exchange(s) where the Equity Shares are to be listed.
  26. to authorize and empower officers of the Company (each, an “Authorized Officer(s)”), for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Issue, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the Stock Exchange(s), the registrar’s agreement and memorandum of understanding, the depositories’ agreements, the offer agreement with the BRLM (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLM and syndicate members, the cash escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Issue, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), brokers, escrow collection bankers, auditors, grading agency, monitoring agency and all such persons or agencies as may be involved in or concerned with the Issue, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Issue by the BRLM and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Issue; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.

## Management Organization Structure



## **Key Managerial Personnel and Senior Management Personnel**

Other than Dilip Ramesh Meswani, the Managing Director and Rahul Babasaheb Sawakhande, CEO cum Executive Director, whose details are provided hereinabove, the details of our Key Managerial Personnel, as on the date of this Draft Red Herring Prospectus are set forth below.

**Anoopkumar Vishwanathan Pillai** is the Company Secretary and Compliance Officer of our Company. He has been associated with the Company since December 19, 2024. He has completed his Bachelor of Commerce Degree in the year 1984 from University of Bombay. He is a Fellow Member of The Institute of Company Secretaries of India since June 19, 1999. He possesses over 30 years of experience in the field of compliance, secretarial and legal services having previously associated with Zodiac Clothing Company Limited, Onida Group, and Skoda Auto Volkswagen India Private Limited. Since he was appointed on December 19, 2024, he did not receive any salary in Financial Year 2024.

**Sweta Shah** is the Chief Financial Officer of our Company. She has been associated with our Company as an Accounts and Finance Manager since the year 2023. She was appointed as the Chief Financial Officer of the Company on June 8, 2024. She has completed her Bachelor of Commerce Degree in the year 2006 from University of Bombay. She has also passed her Intermediate examination from the Institute of Chartered Accountants of India in the year 2007. She possesses over 10 years of experience in the field of Accounting and Finance having previously associated with Osaka Rubber Private Limited, BDO India LLP, Pilot Constructions Private Limited and J.k. Doshi & Co She was previously appointed as the Accounts & Finance Manager at our Company and has been promoted to the position of Chief Financial Officer. In Financial Year 2024, she received a salary of ₹6.71 lakhs from our Company.

## **Senior Managerial Personnel**

The details of our Senior Managerial Personnel, as on the date of this Draft Red Herring Prospectus are set forth below.

**Saurabh Chamoli** is the National Sales Head – Team 1 of our Company. He has been associated with our Company as Head-Sales since the year 2017. He has completed his Higher secondary education from Board of Secondary education Uttar Pradesh in the year 1987. He possesses over 10 years of experience in the field of Medical Aesthetic services. He was previously associated with Richfeel Health & Beauty Private Limited. In Financial Year 2024, he received a compensation of ₹26.34 lakhs from our Company.

**Deepak Sharma** is the National Sales Head – Team 2 of our Company. He has been associated with our Company as Head-Sales since the year 2023. He has completed his Bachelors in Pharmaceutical Sciences in the year 2003 and Post – Graduate Diploma in Pharmaceutical Management in the year 2005. He possesses over 18 years of experience in the field of Medical Aesthetic services. He was previously associated with Meyer Organics Private Limited, Dr. Reddy’s Laboratories Limited, Gladerma India Private Limited, Indchemie Health Specialities Private Limited and Ajanta Pharma Limited. In Financial Year 2024, he received a compensation of ₹11.88 lakhs from our Company.

**Rekha Malekar** is the Human Resource Manager of our Company. She has been associated with our Company as a HR & Admin Executive since the year 2015. She has completed her B.S.C Degree in the year 2008. She possesses over 16 years of experience in the field of Human Resources. She has previously worked with GVK Emergency Management and Research Institute. In Financial Year 2024, She received a salary of ₹ 6.95 lakhs from our Company.

## **Service Contracts with Key Managerial Personnel and Senior Management Personnel**

Other than the statutory benefits that the Key Managerial Personnel and Senior Management Personnel are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company as detailed in their respective appointment letters, have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

### **Relationship amongst Key Managerial Personnel and Senior Management Personnel**

Except as stated in “*Relationship between our Directors, Key Managerial Personnel and Senior Management Personnel*”, none of our Key Managerial Personnel or Senior Management Personnel are related.

### **Arrangements and understanding with major Shareholders, customers, suppliers or others**

None of our Key Managerial Personnel and Senior Management Personnel have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

### **Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Managerial Personnel**

There is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Managerial Personnel.

### **Compensation paid to Key Managerial Personnel and Senior Management Personnel pursuant to a Bonus or Profit-sharing plan**

Our Company does not have any performance linked bonus or profit-sharing plan with any of the Key Managerial Personnel and Senior Management Personnel.

### **Status of Key Managerial Personnel and Senior Managerial Personnel**

All our Key Managerial Personnel and Senior Managerial Personnel are permanent employees of our Company.

### **Shareholding of Key Managerial Personnel and Senior Managerial Personnel**

Except our Managing Director and Executive Director, none of our Key Managerial Personnel and Senior Managerial Personnel hold Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

### **Changes in Key Managerial Personnel and Senior Managerial Personnel during the last three years**

<b>Particulars</b>	<b>Reason</b>	<b>Date of Appointment/ Cessation</b>
Rahul Babasaheb Sawakhande	Appointment as CEO	June 06, 2024
Sweta Shah	Appointed as Chief Financial Officer	June 08, 2024.
Shreyas Anil Haldankar	Appointed as Company Secretary and Compliance Officer	August 06, 2024
Shreyas Anil Haldankar	Resigned as Company Secretary and Compliance Officer	August 30, 2024
Anoopkumar Vishwanathan Pillai	Appointed as Company Secretary and Compliance Officer	December 19, 2024

The attrition of Key Managerial Personnel and Senior Managerial Personnel is not high in our Company compared to the industry.

### **Payment or Benefit to Key Managerial Personnel and Senior Managerial Personnel of our Company**

No non-salary related amount or benefit has been paid or given to any officers of our Company, including Key Managerial Personnel and Senior Managerial Personnel since its incorporation or is intended to be paid or given, as on the date of filing of this Draft Red Herring Prospectus other than in the ordinary course of their employment.

### **Employee Stock Options and Stock Purchase Schemes**

For details of the employee stock option scheme of our Company, see “*Capital Structure – Issue or transfer of Equity Shares under employee stock option schemes*” on page 77.

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

Dilip Ramesh Meswani and Bindi Dilip Meswani are the Promoters of our Company. As on the date of this Draft Red Herring Prospectus, our Promoters' shareholding in our Company is as follows:

Sr. No.	Name of the Shareholder	Number of Equity Shares Held	% of Pre-Issue issued, subscribed and paid-up Equity Share capital*
1.	Dilip Ramesh Mesawani	68,25,000	65.48
2.	Bindi Dilip Mesawni	18,20,000	17.46

\*Rounded-off to the closest decimal

For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – Other details of shareholding of our Company*", on page 81.

### Details of our Individual Promoters



#### Dilip Ramesh Meswani

Dilip Ramesh Meswani born on January 31, 1963, aged 62 years, is the Managing Director and Promoter of our Company. His permanent account number is AABPM2474K.

For the complete profile of Dilip Ramesh Meswani, along with details of his residential address, educational qualifications, experience, positions/ posts held in the past and other directorships, other ventures, special achievements, business and other activities, see "*Our Management*" on page 166.



#### Bindi Dilip Meswani

Bindi Dilip Meswani born on August 11, 1966 aged 57 years, is the Chairperson cum Non Executive Director and Promoter of our Company. Her permanent account number is AAEPM7338R.

For the complete profile of Bindi Dilip Meswani, along with details of her residential address, educational qualifications, experience, positions/ posts held in the past and other directorships, other ventures, special achievements, business and other activities, see "*Our Management*" on page 166.

Our Company confirms that the permanent account number, bank account number(s), passport number, Aadhaar card number and driving license number of Dilip Ramesh Meswani and Bindi Dilip Meswani shall be submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

### Changes in control of our Company

There was no change in control of our Company during the 5 (five) years immediately preceding the date of filing of this Draft Red Herring Prospectus.

### **Interest of our Promoters**

Our Promoters are interested in our Company to the extent of: (i) having promoted our Company; (ii) their shareholding and the shareholding of their relatives in our Company and the dividend payable, if any, and other distributions in respect of the Equity Shares held by them or their relatives; (iii) their directorship in our Company; (iv) of remuneration payable to them as Directors of our Company and (v) rent payable to Bindi Dilip Meswani for our Registered Office (vi) Dilip Ramesh Meswani who is entitled to performance incentive which shall not exceed 10% of net profit subject to EBITDA crossing 15 crores (which shall be calculated before deducting performance incentive).

Our Promoters are also directors on the boards, or shareholders, proprietors, members or partners or related to persons in control of such entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities.

For further details, see “*Capital Structure*”, “*Our Management*”, “*Summary of the Issue Document - Related Party Transactions*” and “*Financial Statements*” beginning on pages 75, 166, 24 and 189 respectively.

Except as stated in “*Summary of the Issue Document - Related Party Transactions*” beginning on page 24 and disclosed in “*Our Management*” beginning on page 166, there has been no payment of any amount or benefit given to our Promoters or Promoter Group during the two years preceding the date of filing of the Draft Red Herring Prospectus nor is there any intention to pay any amount or give any benefit to our Promoters or Promoter Group as on the date of filing of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce them to become or qualify them as a director or Promoters or otherwise for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

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

Our Promoters have not disassociated themselves from any company or firm during the three years preceding the date of filing of this Draft Red Herring Prospectus.

### **Experience of our Promoters in the business of our Company**

For details in relation to experience of our Promoters in the business of our Company, see “*Our Management*” on page 166.

### **Interest of our Promoters in the property of our Company**

Except as stated in the section “*Our Business*” and “*Financial Information*”, beginning on pages 129 and 189, respectively, our Promoters are not interested in the properties acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it, or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery, other than in the normal course of business.

### **Material Guarantees given by our Promoters**

Our Promoters have not given any material guarantees to any third party, in respect of the Equity Shares, as on the date of this Draft Red Herring Prospectus.

### **Payment of Amounts or Benefits to the Promoters or Promoter Group During the last two years**

Except in the ordinary course of business and as stated in the section “*Related Party Transactions - Financial Information*” on page 215, there has been no payment of amounts or benefits to our Promoters or Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or members of our Promoter Group.

## Undertakings/ Confirmations

Our Promoters have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI or any other government authority. Further, there are no violations of securities laws committed by our Promoter and members of the Promoter Group in the past, and no proceedings for violation of securities laws are pending against them.

Our Promoters and members of our Promoter Group have not been debarred from accessing the capital market for any reasons by SEBI or any other regulatory or governmental authorities.

Our Promoters are not promoter or director of any other Company which is debarred from accessing capital markets.

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

Our Promoters have not been declared as fugitive economic offender under section 12 of the Fugitive Economic Offender Act, 2018.

There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoter, Group Company and Company promoted by the promoter during the past three years.

Our Promoters have given personal guarantees respectively, towards financial facilities availed from the Bankers of our Company, therefore, they are interested to the extent of the said guarantees. Further, they have also extended unsecured loans and are therefore also interested to the extent of the said loans. For further information, see “*Financial Indebtedness*” on page 230 and “*Financial Information*” on page 189.

## Promoter Group

Persons constituting the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations except the Promoters are set out below:

*Natural persons forming part of our Promoter Group (other than our Promoter):*

Name of the Individuals	Relationships
<b>Dilip Ramesh Meswani</b>	
Late Ramesh Meswani	Father
Sharda Meswani	Mother
Mitesh Meswani	Brother
Rita Prasad Meswani	Sister
Bindi Meswani	Spouse
Abhash Meswani	Son
Milouni Meswani	Daughter
Late Himatlal Champaklal Dani	Spouse's Father
Jasuben Dani	Spouse's Mother
Priti Parikh	Spouse's Sister
Paresh Dani	Spouse's Brother
<b>Bindi Dilip Meswani</b>	
Late Himatlal Champaklal Dani	Father
Jasuben Dani	Mother
Paresh Dani	Brother
Priti Parikh	Sister
Dilip Meswani	Spouse
Abhash Meswani	Son

<b>Name of the Individuals</b>	<b>Relationships</b>
Milouni Meswani	Daughter
Late Ramesh Meswani	Spouse's Father
Sharda Meswani	Spouse's Mother
Rita Prasad Meswani	Spouse's Sister
Mitesh Meswani	Spouse's Brother

*Entities forming part of our Promoter Group (other than our Promoters):*

<b>Sr. No.</b>	<b>Name of the entities</b>
<b>Body corporates / entities in which at least 20% of the equity share capital is held by our Promoters or the immediate relatives as set out above of our Promoters / HUF</b>	
1.	Revigen Medicare Private Limited
2.	Coherent medical Systems (Proprietary Concern of Dilip Meswani)
3.	Asthetic Solutions (Proprietary Concern of Dilip Meswani HUF)
4.	Dilip Meswani HUF
<b>Body corporate in which at least 20% of the equity share capital is held by the body corporates forming a part of our Promoter Group as set out above</b>	
1.	Nil

*[Remainder of the page has been intentionally left blank]*

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “*Group Companies*”, includes (i) such companies (other than promoter(s) and subsidiary(ies), if any) with which there were related party transactions during the period for which financial information is disclosed, in accordance with Ind AS 24, as disclosed in the Restated Financial Statement (“**Relevant Period**”), including any additions or deletions in such companies, after the Relevant Period and until the date of the respective offer documents; and (ii) any other companies considered material by the Board of Directors.

Accordingly, all such companies with which the Company had related party transactions, in accordance with Ind AS 24, during the Relevant Period and as disclosed in the Restated Financial Statement, which is contained in Draft Red Herring Prospectus, shall be considered as group companies of the Company for the purpose of disclosure in this Draft Red Herring Prospectus to be filed in relation to the Issue.

Pursuant to a resolution of our Board dated February 25, 2025, with respect to item (ii) mentioned above, our Board has considered that such companies, which are a part of the Promoter Group (as defined in the SEBI ICDR Regulations) with whom our Company has entered into one or more transactions during Financial Year 2024, Financial Year 2023 and Financial Year 2022 if any, the monetary value of which individually or cumulatively exceeds 5% of the total revenue of our Company for the Relevant Period as per the Restated Financial Statement shall also be considered as group companies of the Company.

Set forth below, based on the aforementioned criteria, are the details of our Group Company as on the date of this Draft Red Herring Prospectus.

### **Revigen Medicare Private Limited**

#### *Corporate Information*

Revigen Medicare Private Limited was incorporated on June 14, 2013 under the Companies Act, 1956. The registered office is located at A 802, Heritage Plaza, Teli Galli Cross Road, Andheri (East), Mumbai- 400069 Maharashtra, India is U74120MH2013PTC244514.

#### *Financial Information*

In accordance with SEBI ICDR Regulations, certain financial information pertaining to (i) the details of reserves (excluding revaluation reserves); (ii) sales; (iii) profit/loss after tax; (iv) earnings per share; (v) diluted earnings per shares; and (vi) net asset value in relation to Revigen Medicare Private Limited for the last three Financial Year s, extracted from its audited financial statements (as applicable) is available at the website of our Company at [www.aakaarmedical.in](http://www.aakaarmedical.in)

It is clarified that such details available in relation to Revigen Medicare Private Limited on the website of the Company do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

### **Nature and extent of interests of our Group Companies**

#### *In the promotion of our Company*

Our Group Company does not have an interest in the promotion or formation of our Company.

#### *In the properties acquired by our Company*

Our Group Company does not have any interest in any property acquired by our Company in the 3 years preceding the date of filing this Draft Red Herring Prospectus or proposed to be acquired by it as on date of this Draft Red Herring Prospectus.

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

Our Group Company does not have an interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery.

*Business interests in our Company*

Except in the ordinary course of business and as disclosed under “**Restated Financial Statements**” on page 189 our Group Company does not have any business interest in our Company.

*Related Business Transactions within our Group Companies and significance on the financial performance of our Company*

Except as disclosed under “**Restated Financial Statements**” on page 189, there are no related business transactions with our Group Company.

#### **Common pursuits of our Group Companies**

As on the date of this Draft Red Herring Prospectus, there are no common pursuits between our Group Companies and our Company

#### **Litigation**

As on date of this Draft Red Herring Prospectus, our Group Company is not party to any pending litigation which will have a material impact on our Company.

#### **Utilisation of Issue Proceeds**

There are no material existing or anticipated transactions with our Group Company in relation to utilisation of the Issue Proceeds.

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## DIVIDEND POLICY

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act together with the applicable rules issued thereunder.

The dividend distribution policy of our Company was approved and adopted by our Board of Directors on December 19, 2024. Any dividend to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company. The Company is currently a party to or may enter into from time to time while considering the dividend and other relevant internal and external factors.

Any future determination as to declaration and payment of dividend will be at the discretion of our Board and will depend on the aforementioned parameters and on the factors that our Board deems relevant including and not limited to our earnings, past dividend patterns, capital expenditure to be incurred by our Company, cash flow position of our Company and cost of borrowing, applicable legal restrictions, overall financial position of our Company and other factors considered relevant by the Board and our Equity Shareholders, as may be applicable. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

For the Terms of the credit facilities and other financing arrangements of our Company refer chapter titled "**Financial Indebtedness**" on page 230 of this Draft Red Herring Prospectus.

Except as stated below, our Company has not declared and paid any dividend on the Equity Shares in any of the 3 (three) Financial Years preceding the date of this Draft Red Herring Prospectus and up to the date of this Draft Red Herring Prospectus.

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
No. of Equity Shares	Nil	7,00,000	7,00,000
Face Value per Equity Share (in Rs)	Nil	10	10
Aggregate Dividend (in Lakhs)	Nil	52.50	56.00
Dividend per Equity Share	Nil	7.5	8
Rate of Dividend (%)	Nil	75%	80%
Dividend Distribution Tax (Rs. in Lakhs)	Nil	5.25	5.60
Mode of Payment of Dividend	Nil	Electronic Transfer	Electronic Transfer

*\*As certified by Statutory Auditor dated February 25, 2025*

The amounts paid as dividends in the past are not necessarily indicative of the dividend distribution policy of our Company or dividend amounts, if any, in the future. Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue. There is no guarantee that any dividends will be declared or paid in the future. For details of risks in relation to our capability to pay dividend, see "**Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.**" on page 49 of this Draft Red Herring Prospectus.

For details of risks in relation to our capability to pay dividend, see "**Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.**" on page 49 of this Draft Red Herring Prospectus.

**SECTION V – FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

Sr No.	Particulars	Page No.
1.	The examination report and the Restated Financial Statements	190-227

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## RESTATED FINANCIAL INFORMATION

### Independent Auditor's Examination on the Restated Financial Information

To,

The Board of Directors,  
Aakaar Medical Technologies Limited

Dear Sirs / Madams,

We have examined the attached Restated Financial Information of Aakaar Medical Technologies Limited (the "Company") comprising the Restated Statement of Assets and Liabilities as at August 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statement of Profit and Loss, the Restated Cash Flow Statement for the period ended August 31, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, the Summary Statement of Material Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company for the purpose of inclusion in the Draft Red Herring Prospectus (referred to as the "Offer Document") in connection with its proposed offering of equity share of face value of Rs. 10 each of the Company (the "Offering"). The Restated Financial Information, have been prepared by the management of the Company in accordance with the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules");
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations"); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

### Management Responsibility for the Restated Financial Information

The Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer document to be filed with Securities and Exchange Board of India ("SEBI"), National Stock Exchange of India Limited ("NSE") and Registrar of companies, Mumbai in connection with the proposed IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in the notes to the Restated Financial Information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

## Auditor's Responsibilities

1. We have examined the Restated Financial Information taking into consideration:
  - a. The terms of reference and terms of our engagement agreed upon vide our engagement letter dated April 25, 2024 requesting us to carry out the assignment, in connection with the offering.
  - b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting Restated Financial Information; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the offering.

These Restated Financial Information has been compiled by the management of the company from audited financial statements for the period ended August 31, 2024 and for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022, which have been approved by the Board of Directors. These audited financial statements were prepared by the Company in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standard ("AS") prescribed under section 133 of the Act read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended), and with the relevant provisions of the Act, a pronouncement of the institute of Chartered Accountant of India ("ICAI").

2. For the purpose of our examination, we have relied on:
  - a. Independent Auditors' Report issued by us dated February 25, 2025 on the financial statements of the Company as at and for the period ended August 31, 2024 as referred in para above.
  - b. Independent Auditor's Report issued by us dated September 5, 2024 on the financial statements of the Company as at and for the year ended March 31, 2024 as referred in para above.
  - c. Independent Auditor's Report issued by previous auditor Madhav Joshi & Associates dated September 2, 2023 on the financial statements of the Company as at and for the year ended March 31, 2023 as referred in para above.
  - d. Independent Auditor's Report issued by previous auditor Madhav Joshi & Associates dated September 10, 2022 on the financial statements of the Company as at and for the year ended March 31, 2022 as referred in para above.
3. Based on our examination and according to the information and explanations give to us, as at August 31, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 and in accordance with the requirements of section 26 of part 1 of Chapter III of the Act, the ICDR Regulations and the Guidance Note, we report that the Restated Financial Information of the Company:
  - a. has been arrived at after incorporating adjustments for the changes in accounting policies, material errors and regrouping/ reclassifications retrospectively in the financial years ended March 31, 2024, March 31,

2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the period ended August 31, 2024.

- b. there are no qualifications in the auditor's report on the audited financial statements of the Company for the period ended August 31, 2024 and for each of the years ended March 31, 2024, 2023 and 2022, which require any adjustments to the Restated Financial Information.
  - c. has been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
4. We have not audited any financial statements of the Company as of the year ending prior to March 31, 2024. Accordingly, we express no opinion on the financial position, results of operations, and cash flows of the Company of for any year ending prior to March 31, 2024.
  5. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us or the previous auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
  6. We, M/s C B Mehta & Associates, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India ('ICAI') and hold the peer review certificate no. 017369 having effective date from July 04, 2024 to July 31, 2027.
  7. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements.
  8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  9. Our report is intended solely for use of the Board of Directors for inclusion in the offer document to be filed with Security Exchange Board of India, National Stock Exchange and Registrar of Companies. Mumbai in connection with the proposed SME IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For C B Mehta & Associates**

**Chartered Accountants**

Firm No. 124978W

**Sd/-**

**C B Mehta**

**Proprietor**

**MRN: 116543**

**Place: Mumbai**

**Date: February 25, 2025**

**UDIN: 25116543BMJPFV4516**



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

Registered Address: A-801, Heritage Plaza, Teli Gali, Cross Road, Andheri (E), Mumbai 400069

CIN : U74900MH2013PTC244717

## Restated Statement of Cash Flows

(Amount in Lakhs)

Particulars	For the period ended Aug 31, 2024	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before tax	(54.98)	388.53	310.25	220.36
<b>Adjustments for:</b>				
Depreciation and amortisation	4.78	13.54	8.94	2.18
Interest income	(0.24)	(1.61)	(1.22)	(1.61)
Balance written back	-	(7.70)	(7.55)	-
Share based payment expenses	1.60	1.06	0.53	-
Sundry balances written off	-	7.69	36.93	-
Fixed assets written off	-	-	1.43	-
Foreign exchange gain/ loss	(3.86)	(6.02)	8.00	(1.98)
Finance costs	64.67	99.13	36.11	18.40
<b>Operating profit / (loss) before working capital changes</b>	<b>11.96</b>	<b>494.63</b>	<b>393.42</b>	<b>237.33</b>
<b>Changes in Operating Assets:</b>				
<b>Adjustments for (increase) / decrease in operating assets:</b>				
(Increase)/ Decreases in trade receivables	(319.45)	(610.61)	(503.21)	42.52
(Increase)/ Decreases in inventories	(87.79)	(292.62)	(425.52)	(71.14)
(Increase)/ Decreases in other assets	(0.30)	(156.81)	190.31	(121.65)
(Increase)/ Decrease in loans & advances	(14.00)	-	-	-
Increase/ (Decrease) in trade payables	18.89	(57.57)	90.88	(63.96)
Increase/ (Decrease) in provisions	39.67	68.75	21.41	34.24
Increase/ (Decrease) in other current liabilities	46.24	(124.16)	43.72	54.74
Cash generated from operations	<b>(304.79)</b>	<b>(678.39)</b>	<b>(188.99)</b>	<b>112.09</b>
Net income tax (paid) / refunds received	(45.00)	(126.02)	(103.76)	(63.69)
<b>Net cash flow used in operating activities (A)</b>	<b>(349.79)</b>	<b>(804.40)</b>	<b>(292.75)</b>	<b>48.40</b>
<b>B. Cash flow from investing activities</b>				
Purchase of fixed asset	(6.27)	(5.17)	(26.35)	(18.80)
Interest received	0.20	2.18	0.44	1.47
Term deposits	(0.53)	(0.85)	(6.12)	(5.40)
<b>Net cash flow used in investing activities (B)</b>	<b>(6.60)</b>	<b>(3.83)</b>	<b>(32.03)</b>	<b>(22.73)</b>
<b>C. Cash flow from financing activities</b>				
Net Increase / (Decrease) of borrowings	370.79	918.23	205.50	(6.51)
Issue of shares	51.06	-	-	-
Share issue expenses	(25.54)	-	-	-
Share application money received	170.00	-	-	-
Dividend paid	-	-	(52.50)	(56.00)
Finance cost	(64.67)	(99.13)	(36.11)	(18.40)
<b>Net cash flow generated from financing activities (C)</b>	<b>501.64</b>	<b>819.10</b>	<b>116.89</b>	<b>(80.91)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>145.26</b>	<b>10.87</b>	<b>(207.89)</b>	<b>(55.23)</b>
Cash and cash equivalents at the beginning of the year / period	29.65	18.79	226.68	281.91
Cash and cash equivalents at the end of the year / period	<b>174.91</b>	<b>29.65</b>	<b>18.79</b>	<b>226.68</b>
<b>Components of cash and cash equivalents</b>				
Balance with banks and cash on hand	174.91	29.65	18.79	226.68
	<b>174.91</b>	<b>29.65</b>	<b>18.79</b>	<b>226.68</b>

The Restated Statement of Cash Flow is prepared using the "Indirect Method" set out in AS 3 - Statement of Cash Flows.

As per our report of even date attached

For C B Mehta & Associates

Chartered Accountants

Firm No. 124978W

Sd/-

C B Mehta

Proprietor

MRN: 116543

Place: Mumbai

Date: February 25, 2025

For and on behalf of the Board

Sd/-

Dilip Meswani  
Managing Director  
DIN 06540985

Sd/-

Anoopkumar Pillai  
Company Secretary

Sd/-

Rahul Sawakhande  
CEO & Director  
DIN 08282783

Sd/-

Sweta Shah  
Chief Financial Officer



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

Registered Address: A-801, Heritage Plaza, Teli Gali, Cross Road, Andheri (E), Mumbai 400069

CIN : U74900MH2013PTC244717

## Restated Statement of Asset & Liabilities

(Amount in Lakhs)

Particulars	Note No	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>EQUITY AND LIABILITIES</b>					
<b>1 Equity</b>					
<b>Shareholders' funds</b>					
(a) Share capital	3	968.09	70.00	70.00	70.00
(b) Reserves and surplus	4	271.58	1,184.16	896.07	732.72
		<b>1,239.66</b>	<b>1,254.16</b>	<b>966.07</b>	<b>802.72</b>
<b>2 Share application money pending allotment</b>		170.00	-	-	-
		<b>170.00</b>	-	-	-
<b>3 Liabilities</b>					
<b>Non-current liabilities</b>					
(a) Long-term provisions	5	85.73	83.03	66.23	52.07
		<b>85.73</b>	<b>83.03</b>	<b>66.23</b>	<b>52.07</b>
<b>Current liabilities</b>					
(a) Short-term borrowings	6	1,876.45	1,505.66	587.43	381.93
(b) Trade payables	7				
Total outstanding dues of micro enterprises and small enterprises; and		15.24	37.61	34.75	41.79
Total outstanding dues of creditors other than micro enterprises and small enterprises		181.48	144.08	218.23	119.87
(c) Other current liabilities	8	338.80	292.56	416.72	372.99
(d) Short-term provisions	9	120.77	83.80	33.44	28.59
		<b>2,532.74</b>	<b>2,063.72</b>	<b>1,290.57</b>	<b>945.18</b>
		<b>4,028.13</b>	<b>3,400.90</b>	<b>2,322.87</b>	<b>1,799.97</b>
<b>ASSETS</b>					
<b>1 Non-current assets</b>					
(a) Property, Plant and Equipment and Intangible assets	10				
i. Property, Plant and Equipments		28.40	27.13	35.52	20.23
ii. Intangible assets		0.93	0.71	0.69	-
(b) Deferred tax assets (Net)	11	37.01	35.42	26.11	19.69
(c) Long term loans and advances	12	84.39	13.61	-	-
(d) Other non-current assets	13	54.66	43.23	38.38	26.87
		<b>205.39</b>	<b>120.11</b>	<b>100.71</b>	<b>66.79</b>
<b>2 Current assets</b>					
(a) Inventories	14	1,505.73	1,417.94	1,125.33	699.80
(b) Trade receivables	15	1,945.70	1,626.25	1,023.32	557.05
(c) Cash and bank balance	16	174.91	29.98	18.91	226.68
(d) Other current assets	17	196.40	206.62	54.60	249.65
		<b>3,822.74</b>	<b>3,280.80</b>	<b>2,222.16</b>	<b>1,733.18</b>
		<b>4,028.13</b>	<b>3,400.90</b>	<b>2,322.87</b>	<b>1,799.97</b>

Notes are an integral part of these Restated Financial Information  
As per our report of even date attached

### For C B Mehta & Associates

Chartered Accountants  
Firm No. 124978W

Sd/-

**C B Mehta**  
Proprietor  
MRN: 116543

Place: Mumbai  
Date: February 25, 2025

### For and on behalf of the Board

Sd/-

**Dilip Meswani**  
Managing Director  
DIN 06540985

Sd/-

**Anoopkumar Pillai**  
Company Secretary

Sd/-

**Rahul Sawakhande**  
CEO & Director  
DIN 08282783

Sd/-

**Sweta Shah**  
Chief Financial Officer



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

Registered Address: A-801, Heritage Plaza, Teli Gali, Cross Road, Andheri (E), Mumbai 400069

CIN : U74900MH2013PTC244717

## Restated Statement of Profit and Loss

(Amount in lakhs except EPS)

Particulars	Note No.	For the Period ended Aug 31, 2024	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
<b>I</b> Revenue from operations	<b>18</b>	2,133.65	4,611.10	3,278.46	1,946.54
<b>II</b> Other income	<b>19</b>	4.57	15.94	9.39	4.33
<b>III Total income (I + II)</b>		<b>2,138.22</b>	<b>4,627.04</b>	<b>3,287.85</b>	<b>1,950.87</b>
<b>IV Expenses:</b>					
Cost of material consumed	<b>20</b>	147.54	186.88	-	-
Purchases of Stock-in-Trade	<b>21</b>	944.49	2,199.59	1,926.31	977.53
Changes in inventories of Stock-in-Trade and finished goods	<b>22</b>	(87.79)	(292.62)	(425.52)	(71.14)
Employee benefit expense	<b>23</b>	543.25	1,036.01	772.82	478.93
Finance costs	<b>24</b>	66.13	113.76	43.06	21.35
Depreciation and amortisation expenses	<b>10</b>	4.78	13.54	8.94	2.18
Other expenses	<b>25</b>	574.81	981.35	651.99	321.67
<b>Total expenses</b>		<b>2,193.21</b>	<b>4,238.51</b>	<b>2,977.59</b>	<b>1,730.51</b>
<b>V Profit before tax (III-IV)</b>		<b>(54.98)</b>	<b>388.53</b>	<b>310.25</b>	<b>220.36</b>
<b>VI Tax expense:</b>					
Current tax expense for the year/ period		(11.78)	110.82	101.35	67.43
Deferred tax expenses		(1.59)	(9.31)	(6.42)	(8.93)
		<b>(13.37)</b>	<b>101.51</b>	<b>94.93</b>	<b>58.51</b>
<b>VII Profit/ (Loss) for the year/ period (V-VI)</b>		<b>(41.61)</b>	<b>287.02</b>	<b>215.32</b>	<b>161.85</b>
<b>VIII Earnings per equity share:</b>					
Basic		(0.45)	3.15	2.37	1.78
Diluted		(0.45)	3.14	2.36	1.78

Notes are an integral part of these Restated Financial Information

As per our report of even date attached

### For C B Mehta & Associates

Chartered Accountants

Firm No. 124978W

Sd/-

**C B Mehta**

Proprietor

MRN: 116543

Place: Mumbai

Date: February 25, 2025

### For and on behalf of the Board

Sd/-

**Dilip Meswani**

Managing Director

DIN 06540985

Sd/-

**Anoopkumar Pillai**

Company Secretary

Sd/-

**Rahul Sawakhande**

CEO & Director

DIN 08282783

Sd/-

**Sweta Shah**

Chief Financial Officer



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

## NOTES TO RESTATED FINANCIAL INFORMATION

### MATERIAL ACCOUNTING POLICIES AND EXPLANATORY NOTES TO RESTATED FINANCIAL INFORMATION

#### Note 1: Company Overview

Aakaar Medical Technologies Limited ('The Company') is a Company, limited by shares, domiciled in India, and incorporated under the Companies Act 1956.

The main object of the company is to carry on the business of distribution of Medical equipment's/ Cosmetic Medicines, all kinds and varieties of disposable and non-disposable surgical instruments, Medical equipment's, Medical Devices, kits to provide treatment in any medical specialty, and to buy, sell, manufacture, import, export, distribute, repair, service and otherwise deal in all kinds and varieties of cosmetics, non-prescribed drugs, health care products, health aids, glamour products.

#### Note 2: Basis of preparation and measurement and Material Accounting policies and notes to accounts

##### 2.1 Basis of Accounting and Preparation of Financial Statements

- a. The restated financial information of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards ("AS") prescribed under section 133 of the Act read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended), and with the relevant provisions of the Act, pronouncement of the Institute of Chartered Accountants of India ("ICAI").
- b. The restated financial information have been prepared on an accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
- c. All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current – non current classification of assets and liabilities.
- d. Deferred tax assets and liabilities are classified as non-current assets and liabilities.
- e. These financial information of the Company are prepared on a going concern basis.



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

## NOTES TO RESTATED FINANCIAL INFORMATION

- f. The restated financial information has been prepared for inclusion in the Draft Red Hearing Prospectus ("DRHP" or "offer document") to be filed by the Company with the Security Exchange Board of India, Bombay Stock of Exchange ('BSE') & Registrar of Company, Mumbai in connection with proposed Initial Public Offering of its equity shares of face value of Rs 10 each of the company comprising a fresh issue of equity shares , in accordance with the requirements of:
- A. Section 26 of part I of Chapter III of the Act
  - B. Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and
  - C. Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI")

### 2.2 Use of Estimates

The preparation of restated financial information is in conformity with Generally Accepted Accounting Principles that requires the Management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) and the income and expenses during the year. The Management believes that the estimates used in preparation of the restated financial information are prudent and reasonable. In view of the inherent uncertainties and a level of subjectivity involved in the measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Estimates and underlying assumptions are reviewed at each balance sheet date

### 2.3 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

## NOTES TO RESTATED FINANCIAL INFORMATION

### 2.4 Property Plant & Equipment and Depreciation thereon

- a. Property Plant & Equipment are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation, and impairment loss, if any. It is valued on a written-down value basis.
- b. The cost of Property Plant & Equipment comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- c. Subsequent expenditures related to an item of Property Plant & Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously ascertained standard of performance.
- d. The management has estimated the useful life of assets which is as follows-

Type of Asset	Period
Computer Equipment	3 Years
Furniture & Fixtures	10 Years
Office Equipment	5 Years
Motor Vehicles	8 Years

### 2.5 Intangible Assets and Amortization thereon

- a) Items of Intangible Assets are recognized and measured at cost less accumulated amortization and impairment losses, if any. The cost of intangible assets comprises of its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the expenditure can be measured reliably.
- c) Intangible assets are amortized over their estimated useful life using a written-down value basis.

Trademark is amortized over a period of ten years. Amortization method, useful lives, and residual values are reviewed at the end of each financial year and adjusted if appropriate.



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

## NOTES TO RESTATED FINANCIAL INFORMATION

### 2.6 Impairment of Assets

- a) As at each Balance Sheet date, the management reviews the carrying amounts of its assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of impairment loss. The recoverable amount is the higher of an asset's net selling price and value in use.

In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and risk specific to the assets.

- b) An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the assets or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

### 2.7 Inventories

#### a) Basis of valuation:

- i) Inventories other than scrap materials are carried at lower of cost and net realisable value after providing the cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realisable value is made on an item-by-item basis.

- ii) Inventory of scrap materials has been carried at net realisable value



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

## NOTES TO RESTATED FINANCIAL INFORMATION

### b) Method of Valuation:

- i) Cost of Inventories comprises the Cost of Purchase, Cost of Conversion, and proportionate manufacturing overheads incurred in bringing the inventories to their present location and conditions.
- ii) Items of inventories are valued at lower cost and net realizable value.

### 2.8 Investments

Investments are classified into current and long-term investments. Investments that are readily realizable and intended to be held for not more than one year from the date of acquisition are classified as current investments. All other investments are long-term investments and classified as Non-Current Investments.

However, that part of long-term investments which are expected to be realized within twelve months from the Balance Sheet date is also presented under "Current Investments" under "Current portion of long-term investments" in consonance with the current / non-current classification of Schedule III of the Act.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

### 2.9 Employee Benefits

- a. All employee benefits payable wholly within 12 months of rendering of services are classified as short-term employee benefits. These comprise of salaries, wages and short-term compensated absences, etc. and the expected costs of ex-gratia are recognized in the period in which the employee renders the related services.

- b. Post-employment benefits defined contribution plans:

Payments made to a defined contribution plan such as a Provident Fund maintained with the Regional Provident Fund Office are charged to as an expense in the Statement of Profit and Loss Account as they fall due.

- c. Defined Benefit plans Gratuity Fund:

The Employee's Gratuity Fund Scheme, is a which is defined benefit plan. The liabilities concerning Gratuity Plan are determined by actuarial valuation on the projected unit credit



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

## NOTES TO RESTATED FINANCIAL INFORMATION

method on the balance sheet date, based upon which the Company makes necessary provisions. Actuarial gains/ (losses) for defined benefit plans are recognised in full and are immediately taken to the statement of profit and loss and are not deferred. The company has not created any trust for Employee Group Gratuity Scheme.

### 2.10 Employee Stock Option Schemes

Employees (including senior executives) of the Company receive a part of the remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the discounted cash flow method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the Statement of Profit and Loss for a period represents the movement in cumulative expense recognized at the beginning and end of that period and is recognized in employee benefit expenses.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification.

The company has not created any trust for the stock option scheme.

### 2.11 Revenue Recognition

Revenue from operations is recognised to the extent that it is probable that the economic benefits will flow to the company and its revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

#### a. Supply of Goods

Revenue from the sale of goods is recognized when control of the products is transferred to the customer. This occurs when the goods are delivered and invoiced to the customer, and all the following conditions are met:

- The seller of goods has transferred to the buyer the property in the goods for a price or



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

## NOTES TO RESTATED FINANCIAL INFORMATION

- All the significant risk or rewards of ownership have been transferred to the buyer and the seller retains no effective control of the goods transferred to a degree usually associated with ownership; and
- No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods

### **Consignment Sales**

Company consigns goods to its Consignment Sales Agent (CSA). These transfers are treated as stock transfers, and no revenue is recognized at this point, as the risks and rewards remain with the Company.

Revenue is recognized only when the goods are sold by CSA to the end customer, as evidenced by the issuance of an invoice by CSA on behalf of the Company. At this stage, the Company records revenue in its books of accounts.

### **Measurement of Revenue:**

Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts, and volume rebates. For consignment sales, the sale price is determined by the Company, usually at a discount on the Maximum Retail Price (MRP).

### **Goods and Services Tax (GST):**

Revenue is recognized net of GST, which is collected on behalf of the government. The Company's invoices issued by CSA include the applicable GST rates, and the corresponding liability is declared in the GST returns by CSA for the respective state.

### **Accounts Receivable and Collection:**

Payments for goods sold are collected by CSA and remitted to the Company periodically. The receivables are recorded in a CSA Account maintained in the Company's accounting system, with the reconciliation of sales and receivables done on a regular basis based on transaction-level data provided by CSA.



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

## NOTES TO RESTATED FINANCIAL INFORMATION

### **b. Sale of services**

Revenue from Sale of services is recognised on an accrual basis as and when the service provision is completed. It is recognized net of discounts and Goods and Services Tax.

### **c. Interest Income**

Interest Income is accounted on accrual basis (depending on certainty of realization) and disclosed under the head "Other Income".

### **2.12 Goods and Services Tax Input Tax Credit**

The Company has claimed input tax credit in terms of Chapter V of the CGST Act, 2017, and the Rules made there under in respect of inputs, input services and capital goods used for the business. To the extent of ineligible credits, the same are added to their respective heads of expenses.

### **2.13 Cash and Cash Equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term investments (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash, and which are subject to insignificant risk of changes in value.

### **2.14 Foreign Currency Transactions**

#### **a. Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate prevailing at the date of transaction.

#### **b. Measurement of Foreign Currency items at the Balance Sheet date**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Nonmonetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

#### **c. Exchange differences**

Exchange differences arising on conversion/ settlement of foreign currency monetary items are recognised as income or expense in the year in which they arise.

## AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

Notes forming part of Restated Financial Information

(Amount in Lakhs)

### 3 SHARE CAPITAL

Particulars	As at	As at	As at	As at
	Aug 31, 2024	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
<b>(a) Authorised</b>				
1,50,00,000 Equity shares of Rs.10/-each (10,00,000 Equity shares as at March 31, 2024, 2023 and 2022)	1,500.00	100.00	100.00	100.00
<b>(b) Issued, Subscribed and fully paid up</b>				
96,80,853 Equity shares of Rs.10/- each fully paid up (7,00,000 Equity shares as at March 31, 2024, 2023 and 2022)	968.09	70.00	70.00	70.00

### 3A RECONCILIATION OF SHARES

Particulars	As at Aug 31, 2024		As at Mar 31, 2024		As at Mar 31, 2023		As at Mar 31, 2022	
	No. of share	Amount	No. of share	Amount	No. of share	Amount	No. of share	Amount
<b>Equity Shares</b>								
At the beginning of the year (Shares of Rs 10/- Each)	7,00,000	70.00	7,00,000	70.00	7,00,000	70.00	7,00,000	70.00
Add - Shares issued under ESOP	6,383	0.64	-	-	-	-	-	-
Add - Bonus issued during the year/ period*	89,74,470	897.45	-	-	-	-	-	-
<b>Closing Balance</b>	<b>96,80,853</b>	<b>968.09</b>	<b>7,00,000</b>	<b>70.00</b>	<b>7,00,000</b>	<b>70.00</b>	<b>7,00,000</b>	<b>70.00</b>

\*Out of total bonus shares issued, 38,298 shares were issued to Dr. Rahul Sawakhande pursuant to the Aakaar Medical Technologies Employee Stock Options Plan - 2021.

### 3B Terms/ Right Attached to Equity Shares:

The Company has only one class of equity Shares having a par value of Rs.10/- per share. Each Holder of Equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

### Details of shareholder holding more than 5% in the company

Name of the shareholder	As at Aug 31, 2024		As at Mar 31, 2024		As at Mar 31, 2023		As at Mar 31, 2022	
	No. in Shares	% holding in the class	No. in Shares	% holding in the class	No. in Shares	% holding in the class	No. in Shares	% holding in the class
Mr. Dilip Ramesh Meswani	68,25,000	70.50%	5,25,000	75.00%	5,25,000	75.00%	5,25,000	75.00%
Mrs. Bindi Dilip Meswani	18,20,000	18.80%	1,40,000	20.00%	1,40,000	20.00%	1,40,000	20.00%
Dr Rahul Sawakhande	5,80,853	6.00%	-	0.00%	-	0.00%	-	0.00%
	<b>92,25,853</b>	<b>95.30%</b>	<b>6,65,000</b>	<b>95.00%</b>	<b>6,65,000</b>	<b>95.00%</b>	<b>6,65,000</b>	<b>95.00%</b>

### Details of shares held by promoters at the end of the year

Name of the shareholder	As at Aug 31, 2024		As at Mar 31, 2024		As at Mar 31, 2023		As at Mar 31, 2022	
	No. in Shares	% holding in the class	No. in Shares	% holding in the class	No. in Shares	% holding in the class	No. in Shares	% holding in the class
Mr. Dilip Ramesh Meswani	68,25,000	70.50%	5,25,000	75.00%	5,25,000	75.00%	5,25,000	75.00%
Mrs. Bindi Dilip Meswani	18,20,000	18.80%	1,40,000	20.00%	1,40,000	20.00%	1,40,000	20.00%
	<b>86,45,000</b>	<b>89.30%</b>	<b>6,65,000</b>	<b>95.00%</b>	<b>6,65,000</b>	<b>95.00%</b>	<b>6,65,000</b>	<b>95.00%</b>

### Details of change in promoter holding in the company during the year / period

Name of the shareholder	As at Aug 31, 2024		As at Mar 31, 2024		% changes during the period
	No. in Shares	% holding in the class	No. in Shares	% holding in the class	
Mr. Dilip Ramesh Meswani	68,25,000	70.50%	5,25,000	75.00%	(4.50%)
Mrs. Bindi Dilip Meswani	18,20,000	18.80%	1,40,000	20.00%	(1.20%)
	<b>86,45,000</b>	<b>89.30%</b>	<b>6,65,000</b>	<b>95.00%</b>	<b>(5.70%)</b>

Name of the shareholder	As at Mar 31, 2024		As at Mar 31, 2023		% changes during the year
	No. in Shares	% holding in the class	No. in Shares	% holding in the class	
Mr. Dilip Ramesh Meswani	5,25,000	75.00%	5,25,000	75.00%	0.00%
Mrs. Bindi Dilip Meswani	1,40,000	20.00%	1,40,000	20.00%	0.00%
	<b>6,65,000</b>	<b>95.00%</b>	<b>6,65,000</b>	<b>95.00%</b>	<b>0.00%</b>

Name of the shareholder	As at Mar 31, 2023		As at Mar 31, 2022		% changes during the year
	No. in Shares	% holding in the class	No. in Shares	% holding in the class	
Mr. Dilip Ramesh Meswani	5,25,000	75.00%	5,25,000	75.00%	0.00%
Mrs. Bindi Dilip Meswani	1,40,000	20.00%	1,40,000	20.00%	0.00%
	<b>6,65,000</b>	<b>95.00%</b>	<b>6,65,000</b>	<b>95.00%</b>	<b>0.00%</b>

# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

Notes forming part of Restated Financial Information

(Amount in Lakhs)

## 4 RESERVES & SURPLUS

Particulars	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>Profit &amp; loss Account</b>				
Opening balance	1,182.56	895.54	732.72	686.87
Less : Dividend paid	-	-	(52.50)	(56.00)
Less : Bonus share issued during the year/ period	(897.45)	-	-	(60.00)
Add / Less: Profit / (Loss) for the current year/ period	(41.61)	287.02	215.32	161.85
<b>Balance at the end of the year/ period</b>	<b>243.50</b>	<b>1,182.56</b>	<b>895.54</b>	<b>732.72</b>
<b>Securities Premium Account</b>				
Balance at the beginning of the year/ period	-	-	-	-
Add : Received during the year/ period	53.62	-	-	-
Less - Share issue expenses*	25.54	-	-	-
<b>Balance at the end of the year/ period</b>	<b>28.08</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>*Securities Premium Account is utilised in accordance with provisions of Companies Act 2013</i>				
<b>Stock Options Outstanding Account</b>				
Opening balance	1.60	0.53	-	-
Share based payment expenses	1.60	1.06	0.53	-
Less: ESOP exercised	(3.19)	-	-	-
<b>Balance at the end of the year/ period</b>	<b>-</b>	<b>1.60</b>	<b>0.53</b>	<b>-</b>
	<b>271.58</b>	<b>1,184.16</b>	<b>896.07</b>	<b>732.72</b>

## 5 LONG-TERM PROVISIONS

Particulars	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Provision for gratuity	85.73	83.03	66.23	52.07
	<b>85.73</b>	<b>83.03</b>	<b>66.23</b>	<b>52.07</b>

Refer note 35

## 6 SHORT-TERM BORROWINGS

Particulars	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>Loan from banks</b>				
<b>Secured loans</b>				
Overdraft facility	-	-	107.00	200.00
Cash credit facility*	1,367.25	996.46	-	-
<b>Loans from related parties</b>				
Short term borrowings**	509.20	509.20	480.43	181.93
	<b>1,876.45</b>	<b>1,505.66</b>	<b>587.43</b>	<b>381.93</b>

Refer note 30

### \*Cash Credit Facility from Banks are secured by:

a. Mortgage of following immovable properties

801, 8th, Heritage Plaza, Heritage Plaza, CTS NO.490,491/1 TO 490/6 Of Village Gundavali Tal - Andheri, Telli Galli Cross Road, Mumbai In the name of Bindi Meswani & Dilip Meswani.

Flat No. 1303, 13th Floor, 13th, A Wing, Bhoomi Harmony, Plot No. 82, Near K. K. Cinema, Sector 18, , Panvel in the name of Dilip Meswani.

Shop No. 26, Ground Floor Precious Residency Ground, Plot No. 16, Opp. D Mart Ready Sector 19, Raigarh, Maharashtra in the name of Dilip Meswani & Abhash Meswani

b. Hypothecation of Company's Stock and Trade Receivables, both present and future.

c. Rate of Interest of Cash credit facility is Repo Rate + spread of 2.4% i.e. 8.9%

### \*\* terms & conditions of loan

The Rate of interest for unsecured loan is fixed rate of 9% per annum and loan shall be repayable on demand.

## AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

Notes forming part of Restated Financial Information

(Amount in Lakhs)

### 7 TRADE PAYABLES

Particulars	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>Sundry Creditors</b>				
Total outstanding dues of micro enterprises and small enterprises; and	15.24	37.61	34.75	41.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	181.48	144.08	218.23	119.87
	<b>196.72</b>	<b>181.69</b>	<b>252.98</b>	<b>161.66</b>

*For trade payables ageing refer note 33*

- a) Trade payables include acceptances of Nil (previous years NIL)
- b) The company has not provided for interest on delayed payments to suppliers registered under the MSMED Act, as there were delays in payments during the year. However, the company has not received any claims for interest from these suppliers, and no provisions have been made in the financial statements for such interest liability.
- c) The information has been given in respect of such suppliers to the extent they could be identified as Micro & Small enterprises on the basis of information available with the Company.
- d) According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company has amounts due as follows:
- e) For the financial year 2022-23 & 2021-22, the details related to the disclosure below are not available with the company.

Particulars	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
1. (a) Principal overdue amount remaining unpaid to any supplier	15.24	37.61	34.75	41.79
(b) Interest on 1(a) above	-	-	-	-
2. (a) The amount of principal paid beyond the appointed date	-	-	-	-
(b) The amount of interest paid beyond the appointed date	-	-	-	-
3. Amount of interest due and payable on delayed payments	-	-	-	-
4. Amount of interest accrued and remaining unpaid as at year end	-	-	-	-
5. The amount of further interest due and payable even in the succeeding year	-	-	-	-
	<b>15.24</b>	<b>37.61</b>	<b>34.75</b>	<b>41.79</b>

### 8 OTHER CURRENT LIABILITIES

Particulars	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Advance from debtors	154.81	131.19	259.68	273.61
Salary payable	135.36	117.61	80.29	56.92
Statutory liabilities	26.46	26.25	67.40	36.78
Reimbursements payable	22.17	17.51	9.34	5.69
	<b>338.80</b>	<b>292.56</b>	<b>416.72</b>	<b>372.99</b>

### 9 SHORT TERM PROVISIONS

Particulars	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Provision for gratuity ( <i>Refer note 35</i> )	44.24	43.60	31.85	21.14
Interest on loan payable	19.15	-	-	-
Provision for expenses	57.38	40.20	-	3.46
Provision for tax (Net of Advance tax)	-	-	1.59	4.00
	<b>120.77</b>	<b>83.80</b>	<b>33.44</b>	<b>28.59</b>

## AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

Notes forming part of Restated Financial Information

### 10 PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS

(Amounts in lakhs)

As at Aug 31, 2024

Particulars	As at Apr 1, 2024	Cost		As at Aug 31, 2024	As at Apr 1, 2024	Accumulated Depreciation		Carrying Value		
		Additions	Disposals			for the year	Disposals/ adjustments	As at Aug 31, 2024	As at Aug 31, 2024	As at Mar 31, 2024
<b>i. Property, Plant and Equipments</b>										
Computer	8.13	1.15	-	9.27	5.52	0.86	-	6.38	2.89	2.61
Office/Electrical Equipments	6.25	4.81	-	11.06	2.83	1.19	-	4.02	7.03	3.41
Furniture & Fixtures	10.26	-	-	10.26	5.35	0.53	-	5.88	4.38	4.90
Vehicle	26.57	-	-	26.57	10.37	2.11	-	12.48	14.10	16.20
	<b>51.20</b>	<b>5.95</b>	<b>-</b>	<b>57.16</b>	<b>24.08</b>	<b>4.68</b>	<b>-</b>	<b>28.76</b>	<b>28.40</b>	<b>27.13</b>
<b>ii. Intangible assets</b>										
Trademark	1.08	0.32	-	1.40	0.37	0.10	-	0.47	0.93	1.03
	<b>1.08</b>	<b>0.32</b>	<b>-</b>	<b>1.40</b>	<b>0.37</b>	<b>0.10</b>	<b>-</b>	<b>0.47</b>	<b>0.93</b>	<b>1.03</b>

As at Mar 31, 2024

Particulars	As at Apr 1, 2023	Cost		As at Mar 31, 2024	As at Apr 1, 2023	Accumulated Depreciation		Carrying Value		
		Additions	Disposals			for the year	Disposals/ adjustments	As at Mar 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023
<b>i. Property, Plant and Equipments</b>										
Computer	6.30	1.82	-	8.13	3.04	2.48	-	5.52	2.61	3.27
Office/Electrical Equipments	3.17	3.08	-	6.25	1.09	1.74	-	2.83	3.41	2.08
Furniture & Fixtures	10.26	-	-	10.26	3.64	1.71	-	5.35	4.90	6.62
Vehicle	26.57	-	-	26.57	3.01	7.36	-	10.37	16.20	23.56
	<b>46.31</b>	<b>4.90</b>	<b>-</b>	<b>51.20</b>	<b>10.79</b>	<b>13.29</b>	<b>-</b>	<b>24.08</b>	<b>27.13</b>	<b>35.52</b>
<b>ii. Intangible assets</b>										
Trademark	0.81	0.27	-	1.08	0.12	0.25	-	0.37	0.71	0.96
	<b>0.81</b>	<b>0.27</b>	<b>-</b>	<b>1.08</b>	<b>0.12</b>	<b>0.25</b>	<b>-</b>	<b>0.37</b>	<b>0.71</b>	<b>0.96</b>

## AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

Notes forming part of Restated Financial Information

### 10 PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS

(Amounts in lakhs)

As at Mar 31, 2023

Particulars	As at Apr 1, 2022	Cost		As at Mar 31, 2023	As at Apr 1, 2022	Accumulated Depreciation		Carrying Value		
		Additions	Disposals			for the year	Disposals/ adjustments	As at Mar 31, 2023	As at Mar 31, 2023	As at Mar 31, 2022
<b>i. Property, Plant and Equipments</b>										
Computer	9.65	4.02	(7.37)	6.30	7.79	2.35	(7.10)	3.04	3.27	1.87
Office/Electrical Equipments	16.53	1.01	(14.36)	3.17	13.07	1.23	(13.20)	1.09	2.08	3.45
Furniture & Fixtures	9.44	0.82	-	10.26	1.40	2.24	-	3.64	6.62	8.04
Vehicle	6.88	19.70	-	26.57	0.01	3.01	-	3.01	23.56	6.87
	<b>42.50</b>	<b>25.54</b>	<b>(21.73)</b>	<b>46.31</b>	<b>22.27</b>	<b>8.82</b>	<b>(20.30)</b>	<b>10.79</b>	<b>35.52</b>	<b>20.23</b>
<b>ii. Intangible assets</b>										
Trademark	-	0.81	-	0.81	-	0.12	-	0.12	0.69	-
	-	<b>0.81</b>	-	<b>0.81</b>	-	<b>0.12</b>	-	<b>0.12</b>	<b>0.69</b>	-

As at Mar 31, 2022

Particulars	As at Apr 1, 2021	Cost		As at Mar 31, 2022	As at Apr 1, 2021	Accumulated Depreciation		Carrying Value		
		Additions	Disposals			for the year	Disposals/ adjustments	As at Mar 31, 2022	As at Mar 31, 2022	As at Mar 31, 2021
<b>i. Property, Plant and Equipments</b>										
Computer	7.74	1.91	-	9.65	7.13	0.65	-	7.79	1.87	0.61
Office/Electrical Equipments	14.16	2.36	-	16.53	11.70	1.37	-	13.07	3.45	2.46
Furniture & Fixtures	1.79	7.64	-	9.44	1.26	0.14	-	1.40	8.04	0.54
Vehicle	-	6.88	-	6.88	-	0.01	-	0.01	6.87	-
	<b>23.70</b>	<b>18.80</b>	-	<b>42.50</b>	<b>20.09</b>	<b>2.18</b>	-	<b>22.27</b>	<b>20.23</b>	<b>3.61</b>

## AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

Notes forming part of Restated Financial Information

(Amount in Lakhs)

### 11 DEFERRED TAX ASSETS

Particulars	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>On Account of Depreciation &amp; amortisation</b>				
Opening Deferred Tax Asset/ (Liability)	3.15	1.29	1.27	1.73
Charged to Profit & Loss Statement for the period/ year	0.35	1.86	0.02	-0.47
<b>Closing Deferred Tax Asset/ (Liability)</b>	<b>3.50</b>	<b>3.15</b>	<b>1.29</b>	<b>1.27</b>
<b>On Account of Gratuity</b>				
Opening Deferred Tax Asset/ (Liability)	31.87	24.69	18.43	9.03
Charged to Profit & Loss Statement for the period/ year	0.84	7.19	6.26	9.39
<b>Closing Deferred Tax Asset/ (Liability)</b>	<b>32.71</b>	<b>31.87</b>	<b>24.69</b>	<b>18.43</b>
<b>On Account of Share based Payments</b>				
Opening Deferred Tax Asset/ (Liability)	0.40	0.13	-	-
Charged to Profit & Loss Statement for the period/ year	0.40	0.27	0.13	-
<b>Closing Deferred Tax Asset/ (Liability)</b>	<b>0.80</b>	<b>0.40</b>	<b>0.13</b>	<b>-</b>
	<b>37.01</b>	<b>35.42</b>	<b>26.11</b>	<b>19.69</b>

### 12 LONG TERM LOANS AND ADVANCES

Particulars	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>Unsecured, considered good</b>				
Advance tax paid during the year/ period	170.06	125.06	-	-
Provision for the year/ period	(99.67)	(111.45)	-	-
<b>Advance tax &amp; TDS (Net of Provisions)</b>	<b>70.39</b>	<b>13.61</b>	<b>-</b>	<b>-</b>
Loans to related parties ( <i>Refer note 30</i> )	45.95	-	-	-
Less : Due within 12 months	(31.95)	-	-	-
	<b>14.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>84.39</b>	<b>13.61</b>	<b>-</b>	<b>-</b>

### 13 OTHER NON - CURRENT ASSETS

Particulars	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>Unsecured, considered good</b>				
Security deposits	30.93	20.03	16.03	10.63
Term deposits	23.33	23.17	21.55	16.08
Interest accrued on term deposits	0.41	0.04	0.81	0.16
	<b>54.66</b>	<b>43.23</b>	<b>38.38</b>	<b>26.87</b>

### 14 INVENTORIES

Particulars	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>(Valued at lower of cost and net realisable value unless otherwise stated)</b>				
Stock-in-trade	1,363.21	1,330.03	1,125.33	699.80
Finished goods	142.52	87.91	-	-
	<b>1,505.73</b>	<b>1,417.94</b>	<b>1,125.33</b>	<b>699.80</b>

## AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

Notes forming part of Restated Financial Information

(Amount in Lakhs)

### 15 TRADE RECEIVABLES

Particulars	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>Trade Receivable</b>				
(a) Secured, considered good;	-	-	-	-
(b) Unsecured considered good;	1,945.70	1,626.25	1,023.32	557.05
(c) Doubtful	-	27.51	27.51	18.05
Provision for doubtful debts	-	(27.51)	(27.51)	(18.05)
	<b>1,945.70</b>	<b>1,626.25</b>	<b>1,023.32</b>	<b>557.05</b>

*For trade receivable ageing refer note 34*

### 16 CASH & BANK BALANCE

Particulars	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>Cash &amp; Cash Equivalents</b>				
Cash on hand	3.20	3.52	2.66	6.60
<b>Balance with bank</b>				
<b>Current accounts</b>	1.71	3.52	2.13	220.07
In earmarked accounts				
Share application money received for allotment of securities	170.00	-	-	-
In deposit accounts (with original maturity of less than 3 months)	-	12.95	14.00	-
Interest accrued	-	-	0.13	-
<b>Other Bank Balances</b>				
In Deposit accounts				
(with original maturity of more than 3 months and less than 12 months)	-	9.65	-	-
Interest accrued	-	0.33	-	-
	<b>174.91</b>	<b>29.98</b>	<b>18.91</b>	<b>226.68</b>

### 17 OTHER CURRENT ASSETS

Particulars	As at Aug 31, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>Unsecured, considered good</b>				
Advance to suppliers	94.83	152.02	30.51	231.75
Balance with government authorities	27.52	6.33	5.33	0.43
Loan to related parties	31.95	-	-	-
Deposit for licenses	9.53	9.53	-	-
Other advances	20.67	23.11	6.20	2.86
Prepaid expenses	11.88	15.63	12.55	14.62
	<b>196.40</b>	<b>206.62</b>	<b>54.60</b>	<b>249.65</b>

# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

Notes forming part of Restated Financial Information

(Amount in Lakhs)

## 18 REVENUE FROM OPERATIONS

Particulars	For the Period ended Aug 31, 2024	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
<b>Sale of products</b>	<b>2,130.05</b>	<b>4,598.56</b>	<b>3,258.29</b>	<b>1,937.09</b>
Sale of traded goods	1,970.88	4,392.99	3,258.29	1,937.09
Sale of manufactured goods	159.17	205.58	-	-
<b>Other operating revenue</b>	<b>3.61</b>	<b>12.53</b>	<b>20.17</b>	<b>9.45</b>
AMC income	0.20	3.55	2.53	1.91
CMC income	-	-	0.80	0.40
Repair income	-	-	0.68	0.99
Service income	3.41	8.98	16.16	6.15
	<b>2,133.65</b>	<b>4,611.10</b>	<b>3,278.46</b>	<b>1,946.54</b>

## 19 OTHER INCOME

Particulars	For the Period ended Aug 31, 2024	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Courier charges on Sale	0.46	0.62	0.61	0.68
Discount / written back	-	7.70	7.55	0.05
Interest income	0.24	1.61	1.22	1.61
Foreign exchange fluctuation	3.86	6.02	-	1.98
	<b>4.57</b>	<b>15.94</b>	<b>9.39</b>	<b>4.33</b>

## 20 COST OF MATERIAL CONSUMED

Particulars	For the Period ended Aug 31, 2024	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Opening stock	-	-	-	-
Add: Purchase	147.54	186.88	-	-
Less : Closing stock	-	-	-	-
	<b>147.54</b>	<b>186.88</b>	<b>-</b>	<b>-</b>

## 21 PURCHASE OF STOCK-IN-TRADE

Particulars	For the Period ended Aug 31, 2024	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Purchase of traded goods	944.49	2,199.59	1,926.31	977.53
	<b>944.49</b>	<b>2,199.59</b>	<b>1,926.31</b>	<b>977.53</b>

## 22 CHANGES IN INVENTORIES OF TRADED GOODS & FINISHED GOODS

Particulars	For the Period ended Aug 31, 2024	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
<b>Opening stock</b>				
Traded goods	1,330.03	1,125.33	699.80	628.66
Finished goods	87.91	-	-	-
	<b>1,417.94</b>	<b>1,125.33</b>	<b>699.80</b>	<b>628.66</b>
<b>Less : Closing stock</b>				
Traded goods	(1,363.21)	(1,330.03)	(1,125.33)	(699.80)
Finished goods	(142.52)	(87.91)	-	-
	<b>(87.79)</b>	<b>(292.62)</b>	<b>(425.52)</b>	<b>(71.14)</b>

# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

Notes forming part of Restated Financial Information

(Amount in Lakhs)

## 23 EMPLOYEE BENEFITS EXPENSE

Particulars	For the Period ended Aug 31, 2024	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Salaries & wages	535.61	998.47	734.82	440.43
Contribution to provident and other funds	6.04	31.18	26.50	38.17
Share based expenses	1.60	1.06	0.53	-
Staff welfare expenses	-	5.29	10.97	0.33
	<b>543.25</b>	<b>1,036.01</b>	<b>772.82</b>	<b>478.93</b>

## 24 FINANCE COSTS

Particulars	For the Period ended Aug 31, 2024	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Interest Expense				
(a) Interest on cash credit facility	45.52	54.80	5.72	0.03
(b) Interest on unsecured loan	19.15	44.33	30.38	18.37
Bank charges & commission	1.46	14.63	6.95	2.95
	<b>66.13</b>	<b>113.76</b>	<b>43.06</b>	<b>21.35</b>

## 25 OTHER EXPENSES

Particulars	For the Period ended Aug 31, 2024	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Advertisement expenses	136.95	212.77	174.13	31.27
Provision for bad debts	-	-	9.46	2.04
Commission, brokerage & service charges	126.60	150.33	52.05	15.32
Contract fees	4.15	10.90	0.65	-
Communication expenses	3.46	6.41	5.59	3.53
Clearing & forwarding charges	2.14	9.16	0.94	2.51
Consumables expenses	0.85	3.71	1.11	0.88
Fixed assets w/off	-	-	1.43	-
Foreign exchange fluctuation	-	-	8.00	-
Insurance expenses	6.49	9.29	6.08	5.02
Lodging & boarding expenses	54.97	38.79	48.95	11.74
Legal & professional fees	14.52	22.67	13.23	12.55
Miscellaneous expenses	6.64	30.52	18.56	49.95
Office expenses	13.00	14.98	15.06	6.96
Power and fuel	1.30	2.62	1.72	1.66
Postage & courier charges	33.03	74.44	71.70	54.24
Payments to auditors				
- Audit Fees	1.50	3.50	0.80	1.15
- In other Capacity	0.60	-	1.05	0.31
Rent	17.33	38.08	33.10	30.63
Repairs & maintenance	1.22	6.88	4.34	4.65
Rates and taxes	11.99	27.16	13.25	3.46
Sundry balance written off	-	7.69	36.93	-
Travelling and conveyance expenses	114.83	253.44	128.76	71.36
Transportation, freight and loading/ unloading charges	19.61	53.03	1.63	11.75
Workshop expenses	3.63	4.98	3.46	0.68
	<b>574.81</b>	<b>981.35</b>	<b>651.99</b>	<b>321.67</b>



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

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## NOTES TO RESTATED FINANCIAL INFORMATION

### 26. Foreign Currency Transactions

During the year under review there are no foreign exchange earnings. Foreign Currency outgoings are as under:

(Amount in Lakhs)

Particulars	Apr 24 – Aug 24	2023-24	2022-23	2021-22
Foreign currency outflow	510.88	1,305.76	998.90	741.76
Foreign currency inflow	0.27	-	1.32	8.32

### 27. Micro, Small & Medium Enterprises Development Act, 2006

Based on the information available from the company, few suppliers have been identified, who is registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED) to whom the company owes and the same is outstanding for more than 45 days as at each reporting period. The information has been determined to the extent such parties have been identified based on information available within the company. This has been relied upon by the auditors.

### 28. Employee Stock Options Plan

Employee Stock Option Plan 2021 (ESOP 2021) is intended to reward the Eligible Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company.

Dr Rahul Sawakhande was granted 6,383 stock options during financial year 2021-22.

The stock options were granted at Rs. 800 per share with a fair value of Rs. 850 as per discounted cash flow method and valuation conducted by the company.

The vesting schedule for the said stock options is spread over 3 years @ 50% for first year, 25% for second year and remaining 25% for third year.

As at 31st August, 2024 Dr Rahul Sawakhande has exercised 6,383 shares.



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

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## NOTES TO RESTATED FINANCIAL INFORMATION

### 29. Segment Information

The company operates through two segments, namely manufacturing and distribution of medical equipment/ Cosmetic Medicines.

Disclosures required under AS-17 are as follows:

(Amount in Lakhs)

Sr No.	Particulars	As at 31st Aug, 2024	As at 31st Mar, 2024	As at 31st Mar, 2023	As at 31st Mar, 2022
<b>A</b>	<b>Segment Revenue</b>				
	Aesthetic Devices & Device consumables	264.25	1,181.25	923.55	560.28
	Aesthetic Products	1,869.40	3,429.85	2,354.91	1,386.26
	<b>Total Revenue</b>	<b>2,133.65</b>	<b>4,611.10</b>	<b>3,278.46</b>	<b>1,946.54</b>
<b>B</b>	<b>Result</b>				
	<b>Segment Profit</b>				
	Aesthetic Devices & Device consumables	149.66	663.15	368.62	206.59
	Aesthetic Products	716.21	1,491.00	1,182.86	786.98
	<b>Segment Operating Profit</b>	<b>865.87</b>	<b>2,154.15</b>	<b>1,551.49</b>	<b>993.56</b>
	<b>Reconciliation of segment operating profit to operating profit</b>				
	<b>Unallocated:</b>				
	Employee Benefit Expense	543.25	1,036.01	772.82	478.93
	Other Expense	316.04	631.79	434.75	277.25
	Other miscellaneous expenses net of income	(4.57)	(15.94)	(9.39)	(4.33)
	<b>Operating Profit</b>	<b>11.15</b>	<b>502.29</b>	<b>353.31</b>	<b>241.71</b>
	Finance Costs	66.13	113.76	43.06	21.35
	<b>Profit before tax</b>	<b>(54.98)</b>	<b>388.53</b>	<b>310.25</b>	<b>220.36</b>
<b>C</b>	<b>Segment Assets</b>				
	Aesthetic Devices & Device consumables	147.32	129.32	80.58	100.51
	Aesthetic Products	1,798.38	1,496.93	942.74	456.54
	Unallocated Corporate Assets	2,082.43	1,774.65	1,299.55	1,242.92
	<b>Total Assets</b>	<b>4,028.13</b>	<b>3,400.90</b>	<b>2,322.87</b>	<b>1,799.97</b>
<b>D</b>	<b>Segment Liabilities</b>				
	Unallocated Corporate liabilities	2,618.47	2,146.75	1,356.80	997.25
	<b>Total Liabilities</b>	<b>2,618.47</b>	<b>2,146.75</b>	<b>1,356.80</b>	<b>997.25</b>



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

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## NOTES TO RESTATED FINANCIAL INFORMATION

### 30. Related Party Disclosures – AS 18 Related Party Transactions

Name of Related Party	Relationship
Dilip Meswani	Managing Director
Bindi Meswani	Non-Executive Director
Dr. Rahul Sawakhande (w.e.f. 06-06-2024)	CEO & Director
Revigen Medicare Private Limited	Group Concern
Aesthetic Solutions	MD is Karta in HUF
Milouni Dilip Meswani	Daughter of Director
Abhash Meswani	Son of MD
Sharda Meswani	Mother of MD
Sweta Shah (w.e.f. 08-06-2024)	CFO
Rita Prasad	Sister of MD

### Summary of Related Party Transactions

(Amount in Lakhs)

Nature of Transaction	Name of Related Party	For the period ended	For the year ended		
		Aug 31, 2024	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
<b>Loans Taken</b>	- Bindi Meswani	-	84.63	45.58	4.43
	- Dilip Meswani	-	160.31	224.55	7.86
	- Milouni Meswani	76.70	145.70	14.68	0.89
	- Sharda Meswani	177.90	15.51	104.94	58.80
<b>Loan Given</b>	- Dr. Rahul Sawakhande	45.95	-	-	-
<b>Security Deposit Paid</b>	- Bindi Meswani	12.00	-	-	-
<b>Rent paid</b>	- Bindi Meswani	9.20	19.20	15.00	13.95
<b>Loan Repaid</b>	- Bindi Meswani	-	96.94	16.67	4.83
	- Dilip Meswani	-	179.40	31.39	55.16
	- Milouni Meswani	76.70	86.53	4.26	1.71
	- Sharda Meswani	177.90	14.53	38.92	16.80
<b>Interest Paid</b>	- Bindi Meswani	1.55	4.91	3.13	2.43
	- Dilip Meswani	6.89	18.10	5.06	1.51
	- Milouni Meswani	2.87	2.61	0.76	0.77
	- Sharda Meswani	7.84	18.72	21.43	13.67
<b>Dividend Paid</b>	- Bindi Meswani	-	-	10.50	11.20
	- Dilip Meswani	-	-	39.38	42.00
	- Milouni Meswani	-	-	0.53	0.56
	- Abhash Meswani	-	-	2.05	2.18
<b>Director Remuneration Paid</b>	- Bindi Meswani	5.00	54.40	22.50	15.60
	- Dr. Rahul Sawakhande	18.75	-	-	-
	- Dilip Meswani	7.50	40.60	39.00	27.50
	- Sharda Meswani	-	-	-	-
<b>ESOP Granted</b>	- Dr. Rahul Sawakhande	54.26	-	-	-
<b>Sale of Products</b>	- Aesthetic Solutions	1.52	4.06	5.73	-
<b>Purchase of Products</b>	- Revigen Medicare Pvt Ltd	-	18.64	8.50	8.50
<b>Salary Paid</b>	- Milouni Meswani	4.69	11.25	27.00	19.15
	- Sweta Shah	4.39	-	-	-
	- Rita Prasad	1.35	4.24	4.24	3.00



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

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## NOTES TO RESTATED FINANCIAL INFORMATION

Related Parties outstanding balances enumerated in the table below:

(Amount in Lakhs)

Nature of Transaction	Key Management Personnel	For the period ended	For the year ended		
		Aug 31, 2024	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Loans Taken	- Bindi Meswani	41.00	41.00	53.31	24.40
	- Dilip Meswani	182.50	182.50	201.59	8.43
	- Milouni Meswani	76.70	76.70	17.53	7.11
	- Sharda Meswani	209.00	209.00	208.01	141.99
Interest Payable	- Bindi Meswani	1.55	-	-	-
	- Dilip Meswani	6.89	-	-	-
	- Milouni Meswani	2.87	-	-	-
	- Sharda Meswani	7.84	-	-	-
Loan Given	- Dr. Rahul Sawakhande	45.95	-	-	-
Security Deposit	- Bindi Meswani	12.00	-	-	-

### 31. Analytical Ratios

Ratio	Measured in	Numerator	Denominator
Current ratio	Times	Current Assets	Current liabilities
Debt-equity ratio	Times	Debt	Total equity
Debt service coverage ratio	Times	Profit after tax plus depreciation	Interest Expense + Principal Repayments made during the year for long term loans
Return on Net worth	%	Profit After Tax	Average total equity
Inventory turnover ratio	Times	Revenue from operations	Average inventory
Trade receivable turnover ratio	Times	Revenue from operations	Average trade receivables
Trade payables turnover ratio	Times	Cost of Materials Consumed + Purchases of Stock-in-Trade + Other Expenses	Average trade payables
Net capital turnover ratio	Times	Revenue from operations	Working Capital (Current Assets - Current Liabilities)
Net profit ratio	%	Profit After Tax	Revenue from operations
Return on capital employed	%	Earnings before interest and tax	Average Capital employed
Return on investment	%	Earnings before interest and tax	Average Total Assets



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

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## NOTES TO RESTATED FINANCIAL INFORMATION

### Summary of Ratio

Ratio	As at Aug 31, 2024	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022	Variances		
					As at Aug 31, 2024	2023-24	2022-23
Current ratio	1.51	1.59	1.72	1.83	(0.05)	(0.08)	(0.06)
Debt-equity ratio	1.51	1.20	0.61	0.48	0.26	0.97	0.28
Debt service coverage ratio	(0.57)	3.03	6.21	8.92	(1.19)	(0.51)	(0.30)
Return on Net worth	(3.34%)	25.88%	24.35%	21.59%	(112.90%)	6.30%	12.79%
Inventory turnover ratio	1.46	3.63	3.59	2.93	(0.60)	0.01	0.23
Trade receivable turnover ratio	1.19	3.48	4.15	3.37	(0.66)	(0.16)	0.23
Trade payables turnover ratio	8.81	15.50	12.44	6.68	(0.43)	0.25	0.86
Net capital turnover ratio	1.65	3.79	3.52	2.47	(0.56)	0.08	0.42
Net profit ratio	(1.95%)	6.22%	6.57%	8.31%	(131.33%)	(5.22%)	(21.01%)
Return on capital employed	0.39%	23.57%	28.35%	27.44%	(98.33%)	(16.88%)	3.33%
Return on investment	0.30%	17.55%	17.14%	13.92%	(98.29%)	2.40%	23.16%

### Reason for variation in ratio by 25% or more as compared to preceding year

#### a. Debt – Equity Ratio

The debt-to-equity (D/E) ratio indicates how much debt a company is using to finance its assets relative to the value of shareholders' equity.

**For 2023-24** - There is a variance in this ratio as, during the current period, the company has taken a new cash credit facility.

**For 2022-23** - This ratio is different from the prior year since the company's short-term borrowing has increased over the current period.

#### b. Debt Service Coverage Ratio

The debt Service coverage ratio is used to analyze the Company's ability to pay off current interest and installments. It is calculated by dividing earnings available for debt service by debt service.

**For FY 2023-24** - There is a variance in this ratio as, during the current period, the company has taken a new cash credit facility.



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

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## NOTES TO RESTATED FINANCIAL INFORMATION

**For FY 2022-23** - There is a variance in this ratio as, during the current period, the company's net profit after plus depreciation as compared to the previous year has increased significantly.

### c. Return on Equity

Return on Equity (ROE) is a financial ratio that measures how well a company uses shareholders' investments to generate profits.

There is a variance in the ratio as the company has incurred a net loss during the period ending August 31, 2024 as compared to the previous year ended on 31st March, 2024.

### d. Trade Payables turnover ratio

This ratio is used to measure the number of times the business is paying off its creditors or suppliers in an accounting period.

During the current period companies Cost of Materials Consumed +Purchases of Stock-in-Trade + Other Expenses has increased as compared to the previous financial year.

### e. Net working capital turnover ratio

A financial metric that measures how efficiently a company utilizes its working capital to generate sales.

**For FY 2022-23** - The company's working capital declined during the current year due to an increase in current liabilities, primarily driven by the rise in the current maturities of the director's loan.

### f. Net Profit Ratio

Profit margin is a financial ratio that measures the percentage of profit a company earns to its revenue.

The reason for such variance was due to net loss during the period ended 31<sup>st</sup> August, 2024.

### g. Return on capital employed

Return on Capital Employed (ROCE) indicates the ability of a Company's management to generate returns for both the debt holders and the equity holders. It measures a Company's profitability and the efficiency with which its capital is used.

There is a variance in the Capital Employed ratio as the earning before interest and tax has reduced during the period ending August 31, 2024.



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## NOTES TO RESTATED FINANCIAL INFORMATION

### h. Return on investment

A performance measure is used to evaluate the efficiency or profitability of an investment or compare the efficiency of several different investments.

There is decline the earning before interest and taxes which cause the deviation of return on investment in the period ending August 31, 2024 as compared to previous period.

### 32. Taxes on income

- Current Tax comprises of expected tax payable or recoverable for the year. It is measured using tax rates provided under the Income Tax Act, 1961.
- Deferred Tax is recognized, subject to consideration of prudence, on timing difference between taxable income and accounting income for the period that originate in one period and are capable of reversal in one or more subsequent periods.

### 33. Disclosure related to Trade Payables:

Ageing for Trade Payables as at 31st August 2024

(Amount in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 years	1-2 years	2-3 years	More than 3 years	
MSME	-	15.24	-	-	-	<b>15.24</b>
Others	-	155.85	14.35	11.18	0.10	<b>181.48</b>
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>171.09</b>	<b>14.35</b>	<b>11.18</b>	<b>0.10</b>	<b>196.72</b>

Ageing for Trade Payables as at 31st March 2024

(Amount in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 years	1-2 years	2-3 years	More than 3 years	
MSME	-	27.10	-	-	-	<b>27.10</b>
Others	-	120.70	20.71	2.43	0.23	<b>144.08</b>
Disputed dues- MSME	-	-	-	-	10.52	<b>10.52</b>
Disputed dues- Others	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>147.80</b>	<b>20.71</b>	<b>2.43</b>	<b>10.75</b>	<b>181.69</b>



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## NOTES TO RESTATED FINANCIAL INFORMATION

Ageing for Trade Payables as at 31st March 2023

(Amount in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	1.48	33.27	-	-	-	<b>34.75</b>
Others	-	200.13	4.55	1.76	11.79	<b>218.23</b>
Disputed dues – MSE	-	-	-	-	-	-
Disputed dues – MSME	-	-	-	-	-	-
<b>Total</b>	<b>1.48</b>	<b>233.40</b>	<b>4.55</b>	<b>1.76</b>	<b>11.79</b>	<b>252.98</b>

Ageing for Trade Payables as at 31st March 2022

(Amount in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	40.60	1.03	0.16	-	<b>41.79</b>
Others	-	119.56	0.31	-	-	<b>119.87</b>
Disputed dues – MSE	-	-	-	-	-	-
Disputed dues – MSME	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>160.16</b>	<b>1.34</b>	<b>0.16</b>	<b>-</b>	<b>161.66</b>

### 34. Disclosure related to Trade Receivables:

Ageing for Trade receivables as at August 31, 2024

(Amount in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 month	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed – Considered Good	-	1,739.82	48.29	77.15	19.84	60.60	<b>1,945.70</b>
Undisputed – Considered Doubtful	-	-	-	-	-	-	-
	-	<b>1,739.82</b>	<b>48.29</b>	<b>77.15</b>	<b>19.84</b>	<b>60.60</b>	<b>1,945.70</b>
Less – Allowances for Doubtful Debts							-
<b>Total</b>	<b>-</b>	<b>1,739.82</b>	<b>48.29</b>	<b>77.15</b>	<b>19.84</b>	<b>60.60</b>	<b>1,945.70</b>



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## NOTES TO RESTATED FINANCIAL INFORMATION

Ageing for Trade receivables as at March 31,2024

(Amount in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 month	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed	-						
Considered Good	-	1,226.00	122.84	40.41	19.82	244.69	<b>1,653.76</b>
Undisputed	-						
Considered	-	-	-	-	-	-	-
Doubtful	-	-	-	-	-	-	-
	-	<b>1,266.00</b>	<b>122.84</b>	<b>40.41</b>	<b>19.82</b>	<b>244.69</b>	<b>1,653.76</b>
Less – Allowances for Doubtful Debts							(27.51)
<b>Total</b>	-	<b>1,266.00</b>	<b>122.84</b>	<b>40.41</b>	<b>19.82</b>	<b>244.69</b>	<b>1,626.25</b>

Ageing for Trade receivables as at March 31,2023

(Amount in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 month	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed	-						
Considered Good	-	754.35	146.19	57.90	10.96	81.43	<b>1,050.83</b>
Undisputed	-						
Considered	-	-	-	-	-	-	-
Doubtful	-	-	-	-	-	-	-
	-	<b>754.35</b>	<b>146.19</b>	<b>57.90</b>	<b>10.96</b>	<b>81.43</b>	<b>1,050.83</b>
Less – Allowances for Doubtful Debts							(27.51)
<b>Total</b>	-	<b>754.35</b>	<b>146.19</b>	<b>57.90</b>	<b>10.96</b>	<b>81.43</b>	<b>1,023.32</b>

Ageing for Trade receivables as at March 31,2022

(Amount in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 month	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed	-						
Considered Good	-	371.52	18.43	25.07	88.88	71.20	<b>575.10</b>
Undisputed	-						
Considered Doubtful	-	-	-	-	-	-	-
	-	<b>371.52</b>	<b>18.43</b>	<b>25.07</b>	<b>88.88</b>	<b>71.20</b>	<b>575.10</b>
Less – Allowances for Doubtful Debts							(18.05)
<b>Total</b>	-	<b>371.52</b>	<b>18.43</b>	<b>25.07</b>	<b>88.88</b>	<b>71.20</b>	<b>557.05</b>



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

## NOTES TO RESTATED FINANCIAL INFORMATION

### 35. Defined benefit plan (Gratuity)

The scheme is a non-contributory defined benefit arrangement providing gratuity benefits expressed in terms of final monthly salary and the period of past service. The following table shows the amounts recognized in the Balance Sheet.

The assumptions used in accounting for the defined benefit plan are set out below:

	31st Aug, 2024	31st Mar, 2024	31st Mar, 2023	31st Mar, 2022
Expected return on planned assets	N.A	N.A	N.A	N.A
Rate of discounting	7.14%	7.14%	7.20%	5.15%
Rate of salary Increase	12.00%	12.00%	12.00%	12.00%
<b>Rate of Employer turnovers</b>	<b>31.76%</b>	<b>31.76%</b>	<b>31.76%</b>	<b>31.76%</b>

### Reconciliation of Defined Benefit obligation (DBO)

(Amount in Lakhs)

	31st Aug, 2024	31st Mar, 2024	31st Mar, 2023	31st Mar, 2022
<b>Present value of obligations as at beginning of year</b>	<b>126.63</b>	<b>98.08</b>	<b>73.21</b>	<b>35.89</b>
Interest Cost	3.77	6.74	3.60	1.50
Current Service Cost	5.22	10.18	8.57	5.31
Benefit Paid	(1.15)	-	-	-
Actuarial (Gain)/Losses on Obligation	(4.49)	11.63	12.71	30.51
<b>Present Value of Benefit Obligation at the End of the Period</b>	<b>129.97</b>	<b>126.63</b>	<b>98.08</b>	<b>73.21</b>

### Reconciliation of Planned Assets

	31st Aug, 2024	31st Mar, 2024	31st Mar, 2023	31st Mar, 2022
Fair Value of Plan Assets at the beginning of year	-	-	-	-
Fair Value of Plan Assets at the End of the period	-	-	-	-



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

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## NOTES TO RESTATED FINANCIAL INFORMATION

### Amount Recognized in the Statement of Assets & Liabilities

	31st Aug, 2024	31st Mar, 2024	31st Mar, 2023	31st Mar, 2022
Present Value of Benefit Obligation at the end of the Period	129.97	126.63	98.08	73.21
Fair Value of Plan Assets at the end of the period	-	-	-	-
Funded status	-	-	-	-
<b>Present Value of Benefit Obligation at the End of the period</b>	<b>129.97</b>	<b>126.63</b>	<b>98.08</b>	<b>73.21</b>

### Expenses Recognized in the Restated Financial Statement of Profit or Loss

	31st Aug, 2024	31st Mar, 2024	31st Mar, 2023	31st Mar, 2022
Current service cost	5.22	10.18	8.57	5.31
Interest cost	3.77	6.74	3.60	1.50
Benefit paid	-	-	-	-
Actuarial (gain)/Loss on obligation	(4.49)	11.63	12.71	30.51
<b>Present value of benefit obligation at the end of the period</b>	<b>4.49</b>	<b>28.55</b>	<b>24.87</b>	<b>37.32</b>

### 36. Provision, Contingent Liabilities and Contingent Assets & Capital Commitments

- a. Provisions are recognized in terms of Accounting Standard (AS-29) –Provisions, Contingent Liabilities and Contingent Assets notified pursuant to Companies (Accounting Standards) Rules, 2006, when there is present legal or statutory obligation as result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

A disclosure for a contingent liability is made when there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the enterprise.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Commitments are future liabilities, which include Undrawn loan commitments, estimated amount of contracts remaining to be executed on capital account and not provided for.

- b. During the year ended 31<sup>st</sup> March 2024, one of the customers filed a case against the company under section 35 of the Consumers Protection Act, 2019 before Hon'ble District Consumer Disputes Redressal Commission (Hyderabad). The claim amount on the company is Rs. 35



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## NOTES TO RESTATED FINANCIAL INFORMATION

Lakhs plus interest @ 24% p.a. along with other claims like compensatory charges and other charges for Rs. 18 Lakhs.

The Company has disclaimed the liability defending the action. The Company has been advised by its legal counsel that its position is likely to be upheld in the litigation process and accordingly no provision for any liability has been made in the financial statement.

As of August 31, 2024, there has been no new development about this matter.

- c. As at 31st August 2024, March 24, March 23 & March 24 Company has no capital commitments.
- d. As at 31st August, 2024 & March 24 company has filed a GST Appeal for the financial year 2019-20, where the GST Input claimed in GSTR-3B for March 2020 was disallowed in the Assessment Order issued by the Department. The total amount under dispute is ₹26.38 lacs.

The company has filed an appeal challenging the disallowance. As of 31st August 2024, the dispute remains unresolved. As the company is highly confident of obtaining a favorable order in the appeal, no provision has been made for the disputed amount.

### 37. Borrowing Cost

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized as expense in the period in which they occur.

### 38. Operating Leases

The Company has taken various commercial premises under cancellable operating leases. The total of future minimum lease payments in respect of such leases are as follows:

#### The Particulars in respect of such leases are as follows

(Amount in Lakhs)

Sr. No.	Future Lease Rental Payments	31st Aug, 2024	31st Mar, 2024	31st Mar, 2023	31st Mar, 2022
(a)	Due not later than one year	37.63	38.14	36.81	33.1
(b)	later than one year and not later than five year	146.8	194.71	187.92	168.98
(c)	Due later than five years	-	-	-	-
	Lease payment recognized in the Profit & Loss Account	<b>17.33</b>	<b>38.08</b>	<b>33.10</b>	<b>30.63</b>



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

## NOTES TO RESTATED FINANCIAL INFORMATION

### 39. Government Grants

Grants and subsidies from the government are recognized when there is reasonable assurance that -

- (a) the Company will comply with all the necessary conditions attached to them; and
- (b) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to a specific Fixed Asset, the same is shown as a deduction from the gross value of the asset concerned in arriving at its book value and accordingly, the depreciation is provided on the reduced book value.

### 40. Additional regulatory and other information as required by the Schedule III Companies Act 2013

- a. The Company has granted loan directors that are repayable on demand or without specifying any terms or period of repayment.
- b. Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with Registrar of Companies, within the prescribed time or within the extended time requiring the payment of additional fees.
- c. The Company is not required to spend on Corporate Social Responsibility (CSR) expenditure, since neither Company's Net worth is Rs. 500 crore or more, Turnover Rs. 1,000 crore or more and nor the Net Profit is Rs. 5 crore or more during immediately preceding year and hence provisions of section 135 of the Act are not applicable.
- d. There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- e. The Company is not declared as a willful defaulter by any bank or financial Institution or other lenders.
- f. The Company do not have any parent company and accordingly, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies +(Restriction on number of Layers) Rules, 2017 is not applicable for the year under consideration.
- g. There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

(Formerly known as AAKAAR MEDICAL TECHNOLOGIES PRIVATE LIMITED)

## NOTES TO RESTATED FINANCIAL INFORMATION

- h. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- i. The Company has also not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- j. The Company do not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.
- k. The Company did not trade or invest in Crypto Currency or virtual currency during the Financial Year. Hence, disclosures relating to it are not applicable.
- l. All amounts disclosed in the financial information and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III except EPS, unless otherwise stated.

### 41. Disclosure of Theft

During the financial year 2023-24, the Company witnessed a theft of INR 7.39 lakhs by an employee. The employee was responsible for collecting receipts from a few customers but failed to deposit the amounts with the Company. Upon discovery, the Company took appropriate disciplinary and legal action against the employee. The financial impact of the theft has been duly recorded in the books of account.

Furthermore, management has reviewed and strengthened internal controls to mitigate the risk of similar incidents in the future.



# AAKAAR MEDICAL TECHNOLOGIES LIMITED

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## NOTES TO RESTATED FINANCIAL INFORMATION

### 42. Earnings per share

Basic earnings per share are calculated in accordance with Accounting Standard (AS-20) – Earning per share. The Basic Earnings per share is arrived by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The numbers of equity shares are adjusted retrospectively for all the periods presented for bonus shares issued during the reporting period.

(Amount in Lakhs)

Particulars	As at Aug 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Net Profit/(Loss) after Tax (INR in Lakh)</b>	<b>(41.61)</b>	<b>287.02</b>	<b>215.32</b>	<b>161.85</b>
Weighted Average No of Shares	91,98,932	91,00,000	91,00,000	91,00,000
<b>Earnings per equity share:</b>				
Basic (In Rs.)	(0.45)	3.15	2.37	1.78
Diluted (In Rs.)	(0.45)	3.14	2.36	1.78

### 43. Previous year figures

Previous year's figures have been regrouped and rearranged wherever necessary to make them comparable with those of the Current Period.

For and on behalf of the Board

Sd/-

Sd/-

**Dilip Meswani**  
Managing Director  
DIN 06540985

**Dr. Rahul Sawakhande**  
CEO & Director  
DIN 08282783

Sd/-

Sd/-

**Anoopkumar Pillai**  
Company Secretary

**Sweta Shah**  
Chief Financial Officer

## OTHER FINANCIAL INFORMATION

The accounting ratios derived from Restated Financial Information of our Company as required under Item 11 of Part A of Schedule VI of the SEBI ICDR Regulations, as calculated based on the Restated Financial Information are given below :

(₹ in Lakhs)

Sr No.	Particulars	For the five months period ended August 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Basic EPS (in ₹)	(0.45)	3.15	2.37	1.78
2	Diluted EPS (in ₹)	(0.45)	3.14	2.36	1.78
3	Return on Net Worth (%)	(3.34%)	25.88%	24.35%	21.59%
4	Net Asset Value per share (in ₹)	12.81	13.76	10.61	8.82
5	EBITDA (in ₹ Lakhs)	11.36	499.89	352.86	239.56
6	EBITDA Margin (%)	0.53%	10.84%	10.76%	12.31%

**Notes:**

1. *Basic Earnings Per Share: Restated Net Profit after tax / Weighted average number of equity shares outstanding during the year.*
2. *Diluted Earnings Per Share: Restated Net Profit after tax / Weighted average number of diluted potential equity shares outstanding during the year*
3. *Return on Net Worth: It has been computed by dividing restated net profit after tax with the average restated Net worth of beginning and the end of the year / period*
4. *NAV per equity share: Restated Net worth at the end of the year (or period) / Number of Equity shares outstanding at the end of the year*
5. *EBITDA: Profit for the period / year, plus tax expenses, finance costs, depreciation and amortization expenses, extraordinary items and reduced by other income.*
6. *EBITDA MARGIN (%): EBITDA divided by Revenue from Operations*

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of Our Company, for the five months period ended August 31, 2024 and year ended March 31, 2024, March 31, 2023 and March 31, 2022 (collectively, the “**Audited Financial Statements**”) are available on our website at [www.aakaarmedical.in](http://www.aakaarmedical.in)

The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) the Red Herring Prospectus (iii) the Prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider when subscribing for or purchasing any securities of our Company and should not be relied upon or used as a basis for any investment decision.

Our Company or any of its advisors, nor BRLM nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at August 31, 2024, derived from our Restated Financial Information, and as adjusted for the Issue. This table should be read in conjunction with “*Risk Factors*”, “*Restated Financial Information*” and “*Management Discussion and Analysis of Financial Position Results of Operations*”, on pages 27, 189 and 231 respectively.

(₹ in Lakhs)

PARTICULARS	PRE-ISSUE AS AT August 31, 2024	ADJUSTED FOR THE POST-ISSUE
<b>Borrowings</b>		
Current borrowings (including current maturities of Long term Debt) (A)	1,876.45	[•]
Non-current borrowings (B)	-	[•]
<b>Total borrowings (A) + (B) = (C)</b>	<b>1,876.45</b>	<b>[•]</b>
<b>Total Equity</b>		
Equity share capital*	968.09	[•]
Other Equity*	271.58	[•]
<b>Total Equity (D)</b>	<b>1,239.66</b>	<b>[•]</b>
<b>Total Borrowings / Total Equity (C/D)</b>	<b>1.51</b>	
<b>Non-Current Borrowing/Total Equity (B/D)</b>	-	[•]

*As certified by M/s C B Mehta & Associates, Chartered Accountants vide certificate dated February 25, 2025*

*[Remainder of the page has been intentionally left blank]*

## FINANCIAL INDEBTEDNESS

Our Company avails loans in its ordinary course of business for purposes such as working capital, business requirements and other general corporate purposes. For details regarding the borrowing powers of our Board, see “*Our Management – Borrowing powers of our Board*” on page 170.

The details of aggregate indebtedness of our Company as on January 31, 2025 is provided below:

Name of lender	Category of Borrowing	Amount Sanctioned / Amount as per Last Renewal	Amount Outstanding as on 31 January 2025	Rate of Interest (%)	Tenure	Collateral / Asset Charged	Repayment Terms
ICICI Bank Limited	Secured Cash Credit	2200.00	1,517.28	9.20% (Repo Rate + Spread, reset every 3 months)	Valid Till 26/12/2025	Charged against Current Assets and Fixed Assets with Personal Guarantee from Promotor and Promotor Group	No prepayment premium
Dilip Meswani	Unsecured Demand Loan		182.50	9%	Payable on Demand	Unsecured	-
Bindi Meswani	Unsecured Demand Loan		41.00	9%	Payable on Demand	Unsecured	-
Sharda Meswani	Unsecured Demand Loan		31.10	9%	Payable on Demand	Unsecured	-
<b>Total</b>			<b>1,771.88</b>				

\*Dilip Ramesh Meswani, Bindi Dilip Meswani and Abash Bindi Meswani have provided security against their owned assets along with personal gaurantee

*[Remainder of the page has been intentionally left blank]*

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

*You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements for five- month period ending August 31,2024 plus Financial Years ended on March 31, 2024, 2023 and 2022 including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in this Prospectus. You should also see the section titled “Risk Factors” beginning on page 27 which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated audited financial statements.*

*These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI ICDR Regulations and restated as described in the report of our auditors M/s C B Mehta & Associates, Chartered Accountants which is included in this Draft Red Herring Prospectus under the section titled “Financial Information - Restated Financial Statements” beginning on page 189 The Restated Financial Statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our Restated Financial Statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our Restated Financial Statements.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements because of certain factors such as those described under “Risk Factors” and “Forward Looking Statements” beginning on page 27 and 19 respectively, and elsewhere in this Draft Red Herring Prospectus.*

*Accordingly, the degree to which the financial statements in this Draft Red Herring Prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our Financial Year ends on March 31 of each year; therefore, all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. Please also refer to section titled “Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data” beginning on page 16 of Draft Red Herring Prospectus.*

### BUSINESS OVERVIEW

“Aakaar Medical Technologies Private Limited” was incorporated in the year 2013 under the leadership of Mr. Dilip Meswani who has been in the Aesthetic business since more than 25 years. He commenced his journey in the aesthetics business in 1999 through a proprietary business which was primarily selling Aesthetic Devices and then shifted his entire business under Aakaar Medical Technologies Private Limited.

We are a medical aesthetic company dealing in a wide range of aesthetics & specialized cosmetic products & devices. Our product range includes both Own brands (domestically manufactured products) and Imported Brands (distribution of imported brands) from countries such as Korea, Spain, Italy, and Austria. We've established a distinctive presence in the medical aesthetic market by exclusively focusing on business-to-business(B2B) channels for product distribution and sales. We supply our products & devices primarily to dermatologists, plastic surgeons, aesthetic physicians who then sell these products to their end consumers as well as use certain device consumables as part of their treatments. We derive majority of our revenue from Aesthetic products and will continue to focus on our Aesthetic products pipeline.

Over the last 3 years, we have witnessed impressive growth, with our revenue climbing from ₹ 1946.54 lakhs in Financial Year 2022 to ₹ 4611.10 lakhs in Financial Year 2024 & ₹ 2133.65 lakhs for five- month period ending August 2024.

### Key Performance Indicators of our Company

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analysing the growth in comparison to our peers. The KPIs disclosed below have been approved, by a resolution of our Audit Committee dated February 25, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the

Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. C B Mehta & Associates, Chartered Accountants, the Statutory Auditor of our Company by their certificate dated February 25, 2025. Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

(₹ in lakhs, unless otherwise stated)

Particulars	Five months period ended on August 31, 2024	Financial Year 2023-24	Financial Year 2022-23	Financial Year 2021-22
Revenue from operations <sup>(1)</sup>	2,133.65	4,611.10	3,278.46	1,946.53
EBITDA <sup>(2)</sup>	11.36	499.89	352.86	239.56
EBITDA Margin <sup>(3)</sup>	0.53	10.84	10.76	12.31
PAT <sup>(4)</sup>	(41.62)	287.02	215.31	161.85
PAT Margin <sup>(5)</sup>	(1.95)	6.22	6.57	8.31
Net Worth <sup>(6)</sup>	1239.67	1252.56	965.54	802.72
Return on Net Worth <sup>(7)</sup>	(3.34)*	25.88	24.35	21.59
Return on Capital Employed <sup>(8)</sup>	0.39*	23.57	28.35	27.44
Revenue from own brands <sup>(9)</sup>	844.37	1393.65	774.47	527.59
Sales team <sup>(10)</sup> (Nos)	136	133	95	53
Number of Customers Billed <sup>(11)</sup> (Nos)	3,295	5,205	4,507	3,117

\*Not Annualized

- Revenue from Operations** = This amount is Revenue from Operations as appearing in the Restated Financial Statements.
- EBITDA** = Profit for the period / year; plus tax expenses, finance costs, depreciation and amortization expenses, extraordinary items and reduced by other income.
- EBITDA Margin** = EBITDA divided by Revenue from Operations
- Profit After Tax (PAT)** = This amount is Profit for the period/year as appearing in the Restated Financial Statements.
- PAT Margin** = Profit for the year/period divided by Revenue from Operations.
- Net Worth** = Share capital + Balance in Profit and Loss account + Securities Premium account
- Return on Net Worth** = Restated Net Profit (Loss) after tax for the year/period divided by average of net worth at beginning and end of the year
- Return on Capital Employed** = Earnings before interest and taxes divided by average capital employed. Capital Employed includes Tangible Net worth, Long-Term Borrowing and Short-Term Borrowing less cash and cash equivalents and other bank balances
- Revenue from own brands** = Revenue from products sold under the Umbrella of Aakaar Brands
- Sales team** = Sales executives of the Company as at the end of the respective period which drive our revenue which includes sales executives on ground as well as sales managers
- Number of Customers Billed** = End customers which includes Doctors, Aesthetic Surgeons & Clinics Chains billed in a Year which can be either through PISPL/Stockists/Distributors/directly by the Company

KPI	Explanation
Revenue from Operations	Revenue from operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of our business.
EBITDA	EBITDA provides information regarding the operational efficiency of our business as it considers all sources of our core income.
EBITDA Margin	EBITDA Margin is an indicator of the operational profitability and financial performance of Company's business.
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT margin is an indicator of the overall profitability and financial performance of our business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the Company.
Return on Equity	Return on Equity is an indicator of our efficiency as it measures our profitability. It shows how efficiently we generate profits from our shareholders.
Return on Capital Employed	Return on capital employed provides how efficiently the Company generates earnings from the capital employed in the business.
Revenue from	It indicates how the company is gradually increasing its turnover from their own brand

KPI	Explanation
own brands	business which is also a higher margin business.
Sales Team	It indicates the increasing reach of our business as well as the growth of the business which is primarily driven by the sales executives.
Number of Customers Billed	It indicates the YOY increase in our number of doctors and in-turn highlight how is the Company growing its clientele pan India.

## STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to the Restated Financial Statements under chapter titled “*Financial Information - Restated Financial Statements*” beginning on page 189.

## FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 27.

We believe that our results of operations, cash flows and financial condition during the periods under review and future periods will be affected due to the factors such as ability to acquire new customers, providing differentiated products, developing new products, research and development etc. Our operations and financial condition will also be affected by factors such as our ability to secure, maintain and expand existing partnerships, expanding customer base, managing working capital cycles and receipt of payment from customers, managing on time delivery of our products and effective execution of our operations.

## RESULTS OF OUR OPERATION

(₹ in lakhs, unless otherwise stated)

Particulars	Five months period ending on August 31, 2024	% of Total Income	Financial Year 2024	% Total Income	Financial Year 2023	% Total Income	Financial Year 2022	% Total Income
Revenue from Operations	2,133.65	99.79	4,611.10	99.66	3,278.46	99.71	1,946.54	99.78
Other Income	4.57	0.21	15.94	0.34	9.39	0.29	4.33	0.22
<b>Total Income (A)</b>	<b>2,138.22</b>	<b>100.00</b>	<b>4,627.04</b>	<b>100.00</b>	<b>3,287.85</b>	<b>100.00</b>	<b>1,950.87</b>	<b>100.00</b>
Cost of Material Consumed	147.54	6.90	186.88	4.04	-	-	-	-
Purchase of Traded Goods	944.49	44.17	2,199.59	47.54	1,926.31	58.59	977.53	50.11
Changes in inventory of finished goods and work in progress	(87.79)	(4.11)	(292.62)	(6.32)	(425.52)	(12.54)	(71.14)	(3.65)
Employee benefits expense	543.25	25.41	1,036.01	22.39	772.82	23.51	478.93	24.55
Finance Cost	66.13	3.09	113.76	2.46	43.06	1.31	21.35	1.09
Depreciation and amortization expense	4.78	0.22	13.54	0.29	8.94	0.27	2.18	0.11
Other expenses	574.81	26.88	981.35	21.21	651.99	19.83	321.67	16.49
<b>Total Expenses (B)</b>	<b>2,193.21</b>	<b>1,02.57</b>	<b>4,238.51</b>	<b>91.60</b>	<b>2,977.59</b>	<b>90.56</b>	<b>1,730.51</b>	<b>88.70</b>
<b>Profit before extraordinary Item and Tax (A-B)</b>	<b>(54.98)</b>	<b>(2.57)</b>	<b>388.53</b>	<b>8.40</b>	<b>310.25</b>	<b>9.44</b>	<b>220.36</b>	<b>11.30</b>
Extraordinary Item	-	-	-	-	-	-	-	-
<b>Profit Before Tax (A-B)</b>	<b>(54.98)</b>	<b>(2.57)</b>	<b>388.53</b>	<b>8.40</b>	<b>310.24</b>	<b>9.44</b>	<b>220.36</b>	<b>11.30</b>
(i) Current tax	(11.78)	(0.55)	110.82	2.40	101.35	3.08	67.43	3.46
(ii) Deferred tax	(1.59)	(0.07)	(9.31)	(0.20)	(6.42)	(0.20)	(8.93)	(0.46)
<b>Profit for the year</b>	<b>(41.61)</b>	<b>(1.95)</b>	<b>287.02</b>	<b>6.20</b>	<b>215.32</b>	<b>6.55</b>	<b>161.85</b>	<b>8.30</b>

## Review of Restated Financials

### Five- month period ending 31 August 2024 compared with Financial Year 2024

#### Revenue from Operation

The monthly revenue run rate increased by 11.05% from monthly run rate of ₹ 384.26 Lakhs for Financial Year 2024 to monthly run rate of ₹ 426.73 Lakhs for Five-month period ended August 31, 2024 primarily due to increase in our own brand product sales.

#### Purchase of traded goods

Purchases of Traded goods increased by 3.06% from ₹ 183.29 lakhs monthly during Financial Year 2024 to ₹ 188.90 lakhs monthly during Five-month period ending ended 31 August 2024 primarily due to change in foreign exchange rates.

#### Employee Benefit Expenses

Employee benefit expenses had increased by 25.85 % from ₹ 86.33 lakhs monthly in Financial Year 2024 to ₹ 108.65 lakhs monthly in Five-month period ending ended 31 August 2024 mainly due to hirings done in the month of February 2024, March 2024 & April 2024. Below is the number of sales executives(on ground sales team of the company) as at the end of the month in the subject 3 months :

Particulars	As at end of February 2024	As at end of March 2024	As at end of April 2024
Number of Sales Executives	67	88	105
Increase in Sales Executives Month on Month	12	19	17

#### Other Expenses:

Other expenses had increased by 40.58 % from ₹ 81.78 lakhs monthly in Financial Year 2024 to ₹ 114.96 lakhs monthly in Five-month period ending ended August 31, 2024. Increase in other expenses which was primarily driven by the Annual Meet expenses of INR 80 lacs which was fully charged in the Five-month period ending ending August 2024.

#### Depreciation and Amortization Expenses

Depreciation & Amortization expenses had decrease by 15.04 % from ₹ 1.13 lakhs monthly in Financial Year 2024 to ₹ 0.96 lakhs monthly in Five-month period ending August 31, 2024. Company has not done any huge capital expenditure as our business model is asset light model.

#### Finance Cost

Finance Cost had increased by 39.45% from ₹ 9.48 Lakhs monthly in Financial Year 2024 to ₹ 13.22 Lakhs monthly in in Five-month period ending August 31 2024. This is primarily due to increase in short term borrowings from ₹ 1505.66 lakhs to ₹ 1876.45 lakhs.

#### Profit after Tax

The Profit After Tax declined by 134.69% from ₹23.92 lakhs monthly in Financial Year 2024 to ₹ (8.3) lakhs monthly Five-month period ending August 31, 2024 which is largely due to :-

1. Increase in other expenses which was primarily driven by the Annual Meet expenses of INR 80 lacs which was fully charged in the Five-month period ending August 2024.
2. Increase in Employee Expenses as a % of Revenue with hirings done in the month of February 2024,

March 2024 & April 2024 where 3-4 months of onboarding, training, or ramp-up time is required before new employees become fully productive. Below is the number of sales executives as at the end of the month in the subject 3 months:-

Particulars	As at end of February 2024	As at end of March 2024	As at end of April 2024
Number of Sales Executives	67	88	105
Increase in Sales Executives Month on Month	12	21	17

3. Also the revenue split of the company over 12 months is ~25-35% of the Business coming in the Five-month period ending and ~65-75% in the next 7 months which is also one of the primary reasons for negative margins for Five-month period ending August 2024 with the fixed costs being spread over a lower revenue. Below is the revenue split for 5 & 7 months for last 3 years:-

Year	April-August		September-March		Total Revenue from Operations
	Amount	% of total	Amount	% of total	
Financial Year 2022	515.41	26%	1431.13	74%	1,946.54
Financial Year 2023	1115.79	34%	2162.67	66%	3,278.46
Financial Year 2024	1582.80	34%	3028.30	66%	4,611.10

Amt in INR Lakhs

### **Financial Year 2024 compared with Financial Year 2023**

#### **Revenue from Operation**

Revenue from operations increased by 40.65% from ₹ 3278.46 lakhs in Financial Year 2023 to ₹ 4611.10 lakhs in Financial Year 2024 primarily due to increase in Product SKUs and increase in customer base.

#### **Purchase of traded goods**

Purchase of traded goods increased by 14.19 % from ₹ 1926.31 lakhs during Financial Year 2023 to ₹ 2199.59 lakhs during Financial Year 2024 mainly due to increase in revenue.

#### **Employee Benefit Expenses**

Employee benefit expenses had increased by 34.06% from ₹ 772.82 lakhs in Financial Year 2023 to ₹ 1036.01 lakhs in Financial Year 2024 mainly due to increase in team size.

#### **Other Expenses:**

Other expenses had increased by 50.52 % from ₹ 651.99 lakhs in Financial Year 2023 to ₹ 981.35 lakhs in Financial Year 2024. This is primarily because increase in selling expense as sales and sales team size increase, company invested in brand development by spending more on marketing, increase in CSA commission as diversion of consumable sales.

#### **Depreciation and Amortization Expenses**

Depreciation & Amortization expenses had increased by 51.33% from ₹ 8.94 lakhs in Financial Year 2023 to ₹ 13.54 lakhs in Financial Year 2024 which was primarily due to purchase of office equipment's.

#### **Finance Cost**

Finance Cost had increased by 164.18% from ₹ 43.06 Lakhs in Financial Year 2023 to ₹ 113.76 in Financial Year 2024. This is primarily due to increase in short term borrowings.

### **Profit after Tax**

The Profit After Tax increased by 33.29% from ₹ 215.32 lakhs in Financial Year 2023 to ₹ 287.02 lakhs in Financial Year 2024 which is largely in line with the Profit Before Tax. This was a result of increase in sales of own brand product and overall sales.

### **Financial Year 2023 compared with Financial Year 2022**

#### **Revenue from Operation**

Revenue from operations had increased by 68.42% from ₹ 1946.54 lakhs in Financial Year 2022 to ₹ 3278.46 lakhs in Financial Year 2023. The main reason for the same is increase in Sales executives and increase in customer base.

#### **Purchase of traded goods**

Purchase of traded goods increased by 97.05 % from ₹ 977.53 lakhs during Financial Year 2022 to ₹ 1926.31 lakhs during Financial Year 2023 mainly due to increase in revenue.

#### **Employee Benefit Expenses**

Employee benefit expenses had increased by 61.36% from ₹ 478.93 lakhs in Financial Year 2022 to ₹ 772.82 lakhs in Financial Year 2023 mainly due to increase in sales executives.

#### **Other Expenses:**

Other expenses had increased by 102.69 % from ₹ 321.67 lakhs in Financial Year 2022 to ₹ 651.99 lakhs in Financial Year 2023. This is primarily because of increase in Advertising expenses and increase CSA commission.

#### **Depreciation and Amortization Expenses**

Depreciation & Amortization expenses had increased by 310.10% from ₹ 2.18 lakhs in Financial Year 2022 to ₹ 8.94 lakhs in Financial Year 2023. The increase in depreciation is primarily driven by the net addition of assets amounting to ₹ 18.80 lakhs during the year.

#### **Finance Cost**

Finance Cost had increased by 101.68% from ₹ 21.35 Lakhs in Financial Year 2023 to ₹ 43.06 lakhs in Financial Year 2024. This is primarily due to increase in short term borrowings.

### **Profit after Tax**

The Profit After Tax increased by 33.03% from ₹ 161.85 lakhs in Financial Year 2022 to ₹ 215.32 lakhs in Financial Year 2023 which is largely in line with the Profit Before Tax. This was a result of increase in sales of own brand product and overall sales.

### **CASH FLOWS**

(in ₹ Lakhs)

<b>Particulars</b>	<b>August 2024</b>	<b>Financial Year 2024</b>	<b>Financial Year 2023</b>	<b>Financial Year 2022</b>
Net cash generated/(utilized in) from operating activities	<b>(349.79)</b>	<b>(804.40)</b>	<b>(292.75)</b>	<b>48.40</b>
Net cash utilized in investing activities	<b>(6.60)</b>	<b>(3.83)</b>	<b>(32.03)</b>	<b>(22.73)</b>
Net cash (utilized in)/generated from financing activities	<b>501.64</b>	<b>819.10</b>	<b>116.89</b>	<b>(80.91)</b>

### **Cash Flows from Operating Activities**

In Period of 5 months ended August 31, 2024, cash flow from operating activities after working capital and taxes was at (349.79) Lakhs. Cash flow reduced mainly on account of increase in working capital requirements of the company and loss incurred during the period.

In Period of 12 months ending 2024, cash flow from operating activities after working capital and taxes was at (804.40) Lakhs. Cash flow reduced mainly on account of increase in working capital requirements of the company and loss incurred during the period.

In Period of 12 months ending 2023, cash flow from operating activities after working capital and taxes was at (292.75) Lakhs. Cash flow reduced mainly on account of increase in working capital requirements of the company and loss incurred during the period.

In Period of 12 months ending 2022, cash flow from operating activities after working capital and taxes was at 48.40 Lakhs. On account of lower working capital requirements due to limited turnover.

### **Cash Flows from Investment Activities**

In Period of Five-month period ended August 31, 2024, cash flow from investing activities was at (6.60) Lakhs. This was mainly on account of purchase of certain office equipment's by the Company.

In Period of 12 months ending Financial Year 2024, cash flow from investing activities was at (3.83) Lakhs. This was mainly on account of purchase of certain office equipment's by the Company.

In Period of 12 months ending Financial Year 2023, cash flow from investing activities was at (32.03) Lakhs. This was mainly on account of purchase of furniture and fixtures and vehicles.

In Period of 12 months ending Financial Year 2022, cash flow from investing activities was at (22.73) Lakhs. This was mainly on account of purchase of certain office equipment's by the Company.

### **Cash Flows from Financing Activities**

In Period of Five-month period ended August 31, 2024, the net cash received from financing activities was ₹501.64 Lakhs. This was mainly on account of increase in short term borrowings as well as share application money received from investors.

In Period of 12 months ended Financial Year 2024, the net cash received from financing activities was ₹819.10Lakhs. This was mainly on account of increase in short term borrowings.

In Period of 12 months ended Financial Year 2023, the net cash received from financing activities was ₹116.89Lakhs. This was mainly on account of increase in short term borrowings.

In Period of 12 months ended Financial Year 2022, the net cash received from financing activities was ₹(80.91)Lakhs. This was mainly due to payment of dividend.

### **Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

**1. Unusual or infrequent events or transactions**

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

**2. Significant economic changes that materially affected or are likely to affect income from**

**continuing operations.**

We do not foresee any significant economic changes that will affect our operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section “*Risk Factors*” beginning on page 27, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Future changes in relationship between costs and revenues**

Our Company’s future costs and revenues will be determined by growth of industry in which we operate, economic activities and government policies and consumer preferences.

**5. Increases in net sales or revenue and Introduction of new services or increased sales prices.**

We plan to increase our revenue by increasing our customer base by attracting new products which are value for money to the consumers.

We feel these steps will help us to continue our strong growth trajectory.

**6. Status of any publicly announced New Service or Business Segment**

Our Company has not announced any new Service or Business Segment.

**7. Seasonality of business**

The trend in the business over last 3 years has been a higher revenue in the second half of the year as compared to the first half and we expect the same trend to continue going forward. Please refer “Five-month period ending 31 August 2024 compared with Financial Year 2024” in this chapter for the revenue split of last 3 years..

**8. Dependence on few customers/ clients.**

We are catering to Aesthetic Physicians pan India and have a strong association with our customers with a wide customer base. For details see “*Our Business*” on page 129

**9. Competitive conditions**

Competitive conditions are as described under the section titled “*Industry Overview*” beginning on page 109, respectively.

**10. Details of material developments after the date of last balance sheet i.e. 31<sup>st</sup> August, 2024**

Except as stated below no material developments have taken place after the date of last balance sheet i.e. August 31, 2024, that could materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months:

- a) We have taken a new Office taken on rent in the same building as our registered office at 802, A Wing, Heritage Plaza, Teli Galli, Cross Road, Andheri(E), Mumbai 400069. The office has a built up area of 768.5 sq. ft. and rental of INR 1,00,000 per month.
- b) We have done certain Preferential Allotments post 31<sup>st</sup> August ,2024 the details of the same are below :

<b>Name of the Shareholder</b>	<b>Quantity</b>	<b>Allotment date</b>	<b>Face value</b>	<b>Price</b>	<b>Total value</b>
Sharda Meswani	2,77,969	07-10-2024	10	64	1,77,90,016
Milouni Meswani	1,19,844	03-10-2024	10	64	76,70,016
Amit Kumar and Ankita Saraswat (M K ENTERPRISES)	1,56,250	16-09-2024	10	64	1,00,00,000
Ankush Kedia	78,125	16-09-2024	10	64	50,00,000
Finavenue Growth Fund	78,125	16-09-2024	10	64	50,00,000
Deepak Sangwan	31,250	16-09-2024	10	64	20,00,000
<b>Total</b>					<b>4,74,60,032</b>

- c) Our Company was converted from Aakaar Medical Technologies Private Limited to Aakaar Medical Technologies Limited with effect from 18-11- 2024.
- d) Our Company appointed Company Secretary Mr. Anoopkumar Pillai on 19<sup>th</sup> December 2024.
- e) Our company got an enhancement of the Cash Credit limits from the Bank from INR 16 crores to INR 24 crores (INR 22 crores fund based and balance non-fund based) in the Month of January 2025.

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; or (d) Material Litigation (as defined below); involving our Company, its Directors, the Promoters and the Group Companies ("**Relevant Parties**"). Further, there are no disciplinary actions (including penalties) imposed by SEBI or the Stock Exchanges against our Promoters in the last five (5) Financial Years, including any outstanding action.*

*For the purpose of material litigation in (d) above, our Board in its meeting held on January 6, 2025 has considered and adopted the following policy on materiality for identification of material outstanding litigation involving the Relevant Parties ("**Materiality Policy**"). In accordance with the Materiality Policy, all outstanding litigation, including any litigation involving the Relevant Parties, other than criminal proceedings and actions by regulatory authorities and statutory authorities, will be considered material if: (i) the aggregate amount involved exceeds Rs. 50.00 Lakhs as per the latest Financial Year in Restated Financial Statements; or (ii) are outstanding litigations whose outcome could have a material impact on the business, operations, prospects or reputation of the Company; or (iii) the decision in one case is likely to affect the decision in similar cases such that the cumulative amount involved in such cases exceeds the Materiality Threshold, even though the amount involved in an individual litigation may not exceed the Materiality Threshold.*

*It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.*

*Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated January 6, 2025. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 10% as per the Restated Financial Statements of our Company disclosed in this Draft Red Herring Prospectus, would be considered as material creditors. The trade payables of our Company as on August 31, 2024 were 196.72. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.*

*For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as has been relied upon by the Statutory Auditors.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.*

*All terms defined in a particular litigation disclosure pertains to that litigation only.*

#### **I. Litigation involving our Company.**

##### **A. Litigation filed against our Company.**

#### **1. Criminal proceedings**

Nil

#### **2. Outstanding actions by regulatory and statutory authorities**

Nil

#### **3. Material civil proceedings**

## ***Aakaar Medical Technologies Private Limited vs. Radhika Reddy Galla – First Appeal 919 of 2024***

Aakaar Medical Technologies Private Limited (“**Appellant/Opposite Party**”) has filed a First Appeal bearing number 919 of 2024 (“**Appeal**”) before the Hon’ble Telangana State Consumer Disputes Redressal Commission at Hyderabad (“**State Forum**”) against Radhika Reddy Galla (“**Respondent/Complainant**”). The Appellant has filed the present Appeal against an impugned order dated July 26, 2024 (“**Impugned Order**”) passed by the Hon’ble District Consumer Disputes Redressal Commission at Hyderabad (“**District Forum**”) in Consumer Case bearing number 184 of 2023 wherein the Appellant has been ordered to pay refund ₹35,00,000 along with interest at the rate of 10% from June 30, 2024 till date of realization and take back the subject machine, ₹50,000 towards compensation and ₹10,000 towards costs. The Appellant contends that the Respondent does not fall under the definition of ‘Consumer’ under section 1(7) of the Consumer Protection Act and other material facts were looked away by the District Forum. Therefore, the present Appeal has been filed praying for setting aside the Impugned Order. The Appeal is presently pending and the next date of hearing is June 3, 2025.

B. *Litigation filed by our Company.*

### **1. Criminal proceedings**

#### ***FIR bearing number 0476 of 2024 dated September 09, 2024***

Dilip Ramesh Meswani on behalf of the Company (“**Complainant**”) filed a FIR bearing number 0476 of 2024 dated September 09, 2024 (“**FIR**”) before Andher Police Station against Vijesh Manshiker Jha (“**Accused**”) under section 408 and 420 of Bhartiya Dand Sanhita, 1860. Complainant states that the Accused was National Sales Head at his Company. Further, the Complainant alleges that the Accused had requested for Ajay Kumar to conduct all training and collection of money against all products sold by the Complainant’s Company and that the Accused had collected ₹7,39,000 for products sold from Ajay Kumar and had used the sales proceeds for his personal gain and never debited to the account of the Complainant’s Company. The Complainant alleges that the Accused had defrauded him and therefore, the present FIR is filed. The FIR is pending as on date.

### **2. Material civil proceedings**

Nil

C. *Tax proceedings*

<b>Particulars</b>	<b>Number of cases</b>	<b>Aggregate amount involved to the extent ascertainable (in Rs. lakhs)<sup>^</sup></b>
Direct Tax	Nil	Nil
Indirect Tax	1 <sup>#</sup>	26.38
<b>Total</b>	<b>1</b>	<b>26.38</b>

<sup>^</sup>Rounded off to the closest decimal

<sup>#</sup> Includes GST intimation bearing reference ID ZD70723071975V under section 73 of the Maharashtra Goods and Services Act, 2017, dated July 31, 2023 amounting ₹ 26,38,059. Our Company has filed an appeal against the said intimation.

## **II. Litigation involving our Directors (other than Promoters)**

A. *Litigation filed against our Directors (other than Promoters)*

### **1. Criminal proceedings**

***i. Yogita Subhas Vighe and Shaurya Rahul Sawakhande vs. Dr. Rahul Babasaheb Sawakhande and or. – C.C No. 37 of 2019***

Yogita Subhas Vighe (“**Complainant No.1**”) and Shaurya Rahul Sawakhande (“**Complainant No.2**”) has filed a case, bearing case no C.C No. 37 of 2019, before the Hon’ble Court of Judicial Magistrate

First Class at Belapur, under section 12, 18, 19, 20, 21, 22 and 23 of the Protection of Women from Domestic Violence Act, 2005, against Dr. Rahul Babasaheb Sawakhande (“**Respondent**”) and ors. The Complainant No.1 alleges that the Respondents collectively, subjected the Complainants to domestic violence, to which the Complainant prays before the Hon’ble Court to seek relief under section 19 (1) (a) (c) (d) (e), section 20 (1) (d) and section 22 of the Protection of Women from Domestic Violence Act, 2005. In Pursuant to which the Respondent has filed an application for dissolution of marriage under section 13 (1) (i) and (i-a) and for the custody of Complainant No. 2 under section 26 of the Hindu Marriage Act, 1955 before the Hon’ble Court of Civil Judge Senior Division Thane (Details of which are mentioned below.). The matter is currently pending, and the next date of hearing is April 2, 2025.

**2. Outstanding actions by regulatory and statutory authorities**

Nil

**3. Material civil proceedings**

Nil

**B. Litigation filed by our Directors (other than Promoters)**

**1. Criminal proceedings**

Nil

**2. Material civil proceedings**

**i. Dr. Rahul Sawakhande vs. Ms. Yogita Vighe and Vaibhav Mahekar – M.P 231 of 2019.**

Dr. Rahul Sawakhande (“**Petitioner**”) has filed a case, bearing no. M.P 231 of 2019, before the Hon’ble Court of Civil Judge Senior Division Thane, under section 13 (1) (i) and (i-a) and for the custody of daughter under section 26 of the Hindu Marriage Act, 1955, against Ms. Yogita Vighe (“**Respondent No.1**”) and Vaibhav Mahekar (“**Respondent No.2**”). The Petitioner contends that the acts of Respondent No. 1 constitute to cruelty and adultery within the meaning of clause (i) and (i-a) of sub-section (1) of section 13 of the Hindu marriage act and that Respondent No. 1 time and again has been negligent towards their 10-year-old daughter, who suffers from Asthma. Further, the Petitioner states, all allegations made against the Petitioner in the Criminal Application, bearing no. C.C No. 37 of 2019, before the Hon’ble Court of Judicial Magistrate First Class at Belapur, under section 12, 18, 19, 20, 21, 22 and 23 of the Protection of Women from Domestic Violence Act, 2005, are false. In accordance with this, the Petitioner prays before the Hon’ble Court to dissolve the marriage between the Petitioner and the Respondent No.1 by a decree of Divorce under section 13 (1) (i) and (i-a) of the Hindu Marriage Act, under grounds of Cruelty and Adultery. Further, Petitioner also prays for the custody of their minor daughter. The matter is currently pending, and the next date of hearing is March 4, 2025.

*Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in Rs. lakhs)
Direct Tax	1	4.09
Indirect Tax	Nil	Nil
<b>Total</b>	<b>1</b>	<b>4.09</b>

\* Includes Income Tax demand amounting to ₹4,09,286 under section 154 of the IT Act against 2017-18 against Rajendra Dhandhukia.

**III. Litigation involving our Promoters**

**A. Litigation filed against our Promoters**

**1. Criminal proceedings**

Nil

**2. Outstanding actions by regulatory and statutory authorities**

Nil

**3. Material civil proceedings**

Nil

**B. Litigation filed by our Promoters**

**1. Criminal proceedings**

**i. FIR bearing number 0476 of 2024 dated September 09, 2024**

Dilip Ramesh Meswani on behalf of Company (“**Complainant**”) filed a FIR bearing number 0476 of 2024 dated September 09, 2024 (“**FIR**”) before Andher Police Station against Vijesh Manshiker Jha (“**Accused**”) under section 408 and 420 of Bhartiya Dand Sanhita, 1860. Complainant states that the Accused was National Sales Head at his Company. Further, the Complainant alleges that the Accused had requested for Ajay Kumar to conduct all training and collection of money against all products sold by the Complainant’s Company and that the Accused had collected ₹7,39,000 for products sold from Ajay Kumar and had used the sales proceeds for his personal gain and never debited to the account of the Complainant’s Company. The Complainant alleges that the Accused had defrauded him and therefore, the present FIR is filed. The FIR is pending as on date.

**2. Material civil proceedings**

Nil

**C. Tax proceedings**

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in Rs. lakhs) <sup>^</sup>
Direct Tax	4*	4.20
Indirect Tax	Nil	Nil
<b>Total</b>	<b>4</b>	<b>4.20</b>

<sup>^</sup> Rounded off to closest decimal

\* Includes TDS Traces demand amounting to ₹8,260 for the financial year 2012-13, ₹64,850 for the financial year 2011-12, ₹3,46,050 for the financial year 2010-11, and ₹670 for the financial year 2009-10 against Dilip Ramesh Meswani.

**Outstanding dues to creditors**

Our Board, in its meeting held on January 6, 2025 has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company, to whom an amount ₹ 19.67 Lakhs as on the date of the latest period in the Restated Financial Statements was outstanding, were considered material creditors.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at August 31, 2025 by our Company, are set out below:

Type of creditors	Number of creditors	Amount involved (in Rs. lakhs)
Material creditors	3	107.24
Micro, Small and Medium Enterprises	14	15.24
Other creditors	115	74.24

<b>Total</b>	132	196.72
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The details pertaining to net outstanding dues towards our material creditors as on August 31, 2024 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at [www.aakaarmedical.in](http://www.aakaarmedical.in) **Error! Hyperlink reference not valid.** It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus.

### **Material Developments**

Other than as stated in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after August 31, 2024*" on beginning on page 231, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

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## GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. In view of these key approvals, our Company can undertake this Issue and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section “**Risk Factors**” beginning on page 27 of this Draft Red Herring Prospectus, these material approvals are valid as of the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which we operate, see “**Key Regulations and Policies**” on page 155 of this Draft Red Herring Prospectus.

We have also set out below, (i) material approvals or renewals applied for but not received; (ii) material approvals expired and renewal yet to be applied for; and (iii) material approvals required but not obtained or applied for, as on the date of this this Draft Red Herring Prospectus.

Please note that since our Company has recently changed its name and is converted into a public limited company, the below detailed licenses, approval and certification are in the erstwhile name of the Company and the Company undertakes to get such licenses, approval and certification in its present name.

### I. Material approvals obtained in relation to the Issue

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on January 6, 2025, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
- b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on January 7, 2025, authorized the Issue under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. The Company has obtained the in-principle listing approval from the NSE Emerge, dated [●].

### II. Material approvals obtained in relation to our business and operations

Our Company have obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

#### A. Incorporation details of our Company

- a. Our Company was originally incorporated as a private limited company in the name of “*Aakaar Medical Technologies Private Limited*” vide Certificate of Incorporation dated June 20, 2013, issued by the Registrar of Companies, Mumbai.
- b. Fresh Certificate of Incorporation dated November 18, 2024 issued to our Company by the RoC, pursuant to the conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from “*Aakaar Medical Technologies Private Limited*” to “*Aakaar Medical Technologies Limited*”.
- c. The CIN of our Company is U74900MH2013PLC244717

#### B. Tax related approvals obtained by our Company

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number	AALCA7587Q	Income Tax Department	June 20, 2013	Valid till cancelled
2.	Tax Deduction Account Number	MUMA44837C	Income Tax Department	October 24, 2013	Valid till cancelled

Sr. No.	Nature of Registration/ License (TAN)	Registration / License No.	Issuing Authority	Date of Issue	Date of Expiry
3.	GST Registration Certificate Maharashtra	27AALCA7587Q1ZK	Goods and Services Tax Department	July 01, 2017	Valid till cancelled
4.	GST Registration Certificate Himachal Pradesh	02AALCA7587Q1ZW	Goods and Services Tax Department	May 24, 2023	Valid till cancelled
5.	Certificate of Enrolment (Professional Tax)	99942549731P	Maharashtra Sales tax Department	April 01, 2013	Valid till cancelled
6.	Certificate of Registration (Professional Tax)	27975308176P	Maharashtra Sales Tax Department	November 26, 2015	Valid till cancelled

**C. Regulatory approvals for our Company:**

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Employee Provident Fund Code	KDMAL1385812	Employees' Provident Fund Organisation	January 20, 2016	Valid till cancelled
2.	UDYAM Registration Certificate	UDYAM-MH-18-0028286	Ministry of Micro, Small and Medium Enterprises, Government of India	December 17, 2020	Valid till cancelled
3.	Certificate of Registration of Shops & Establishment- 801- A Wing, Heritage Plaza, Telli Galli Cross Road, Andheri East, Mumbai Suburban, Maharashtra	820351428/ KE Ward/COMMERCIAL II	Government of Maharashtra, Labour Department, Mumbai,	July 30, 2024	Valid till cancelled
4.	Certificate of Registration of Shops & Establishment- Flat No 101, KVG Nilayam, Venkata Rama Colony, KPHB, Kukatpally, Medchal (Malkajgiri), Hyderabad	SEA/MED/ALO/KP/09243 28/2024	Government of Telangana, Labour Department	August 09, 2024	Valid till cancelled
5.	Certificate of Registration of Shops & Establishment- B81B, LGF Kalka Ji, New Delhi	2024158110	Department of Labour, Government of National Capital Territory of Delhi	August 07, 2024	Valid till cancelled
6.	Certificate of Registration of Shops & Establishment- 364, Ground floor, Anujay Sree Nilayan, 42nd Cross, 1st Main, 8th Block, Jayanagar, Bangalore, Karnataka	14/153/CE/0212/2024	Government of Karnataka, Labour Department	August 22, 2024	December 31, 2028
7.	Certificate of Registration of FSSAI	21522005000295	Food Safety and Standards Authority of India, Food and	August 21, 2022	August 20, 2025

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
			Drug Administration, Government of Maharashtra		
8.	Certificate of Importer Exporter Code	0314004637	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	April 22, 2014	Valid till cancelled
9.	License to sell, stock or exhibit (or offer) for sale or distribute by wholesale, drugs other than those specified in [Schedules C, C (1) and X] <b>(Form 20B)</b>	MH-MZ5-527651	Licensing Authority & Assistant Commissioner Food & Drugs Administration	July 27, 2023	July 26, 2028
10.	License to sell, stock or exhibit (or offer) for sale or distribute by wholesale, drugs specified in Schedules C and C (1) [excluding those specified in Sch. X] <b>(Form 21B)</b>	MH-MZ5-527652	Licensing Authority & Assistant Commissioner Food & Drugs Administration	July 27, 2023	July 26, 2028
11.	License to import medical device - under the Medical Devices Rules, 2017 – Alfa Aqualift	IMP/MD/2021/000109	Central Drugs Standard Control organization, Directorate General of Health Services, Ministry of Health & Family Welfare	March 02, 2021	Valid till cancelled
12.	Loan license to manufacture cosmetics for sale or for distribution- Highbrow Healthcare Navsari <b>(Form COS- 9)</b>	GC/208-A	Food & Drugs Control Administration, Gujarat	June 03, 2024	June 02, 2029
13.	Approval of Product*	GC/208-A	Food & Drugs Control Administration, Gujarat	June 05, 2024	June 02, 2029
14.	Loan license to manufacture cosmetics for sale or for distribution – M/s. Curetech Skincare, Solan <b>(Form COS- 9)</b>	HIM/COS/L/22/343	Health and Family Welfare Department Himachal Pradesh.	January 30, 2023	Valid till canceled

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
15.	Approval of Product**	HIM/COS/L/343	Health and Family Welfare Department Himachal Pradesh.	June 18, 2024	January 01, 2028
16.	Registration Certificate to Import Cosmetics in India - Laboratorio Innoaesthetics S.L.(Spain)^	RC/COS-003055	Central Drugs Standard Control Organisation, Directorate General of Health Services, Ministry of Health & Family Welfare	March 23, 2022	March 20, 2027
17.	Endorsment no. 2 for addition of products-Registration Certificate to Import Cosmetics in India - Laboratorio Innoaesthetics S.L.(Spain)^	RC/COS-003055	Central Drugs Standard Control Organisation, Directorate General of Health Services, Ministry of Health & Family Welfare	July 15, 2024	March 20, 2027
18.	License to Import Medical Device - (Electromagnetic Simulator)- M/s Remed Co., Ltd (South Korea)	IMP/MD/2024/000351	Central Drugs Standard Control Organization, Directorate General of Health Services, Ministry of Health & Family Welfare	April 03, 2024	Valid till canceled
19.	Registration Certificate to Import Cosmetics in India - Theraderm Co. Ltd (South Korea)#	RC/COS-004271	Ministry of Health & Family Welfare, Government of India	December 13, 2023	December 12, 2028
20.	Legal Entity Identifier (LEI)	254900Y4VS4COIHQ27 7	LEI Register India Private Limited	August 09, 2018	March 06, 2025

\*The Cosmetics Product Permission is granted for DRS1512 HAIR, DRS 1512 SKIN, ETREHAIR-GFC HAIR CONCENTRATE, ETRELUME FIRMING WHITENING COMPLEX, ETRELUXE NUCLEOTIDE, LYTEC HI & KORI CLEANSE, LYTEC HI & KORI HYDRATE, TUBELITE C, TUBELITE C 20 BRIGHTENING FACE CRERM, TUBELITE CLENZ CLEANSING SOLUTION, TUBELITE GOLD EXFOLIANT FACE CRERM, TUBELITE RAYPRO SUNSCREEN, TUBELITE SILK MOISTURIZING FACE CRERM, Etrelux PDRN, BALBACK HAIR SERUM LYTEC HI & KORI EXFOLIATE and LYTEC HI & KORI CONDITION.

\*\* The Cosmetics Product Permission is granted for Swyada Snail Cleanse, Swyada Snail Rejuve, Swyada Snail Glo, Swyada Snail Revite, Swyada Snail Mask, Swyada Biomod Sun Defence, Swyada C160, Swyada Eyes, Swyada Lips, Swyada Recover, Swyada Retino ++, Swyada Retino Moist, TUBELITE C, Tubelite Aknehydrate, Tubelite Akneklenz, Tubelite Akneskreen, Tubelite Melaminus, Tube Lite Sunscreen, Balback Pro, Minoxidil Topical & Finasteride Solution (Balback), Lytec Hydra, Lytec Cream, Lytec Ghuta, Lytec Klense, Lytec Nano 20 and Lytec Shell.

^ For the Import of the products namely Inno- Epigen - Pigment defense serum 30ml, Inno- Epigen - Age perfection serum 30ml, Me line - 05 Pigment home mask 30g, Me line - 01 Dark circles step 1+2 5ml 5ml, Me line - 02 Dark circles 10ml, Me line - 01 ID 6 x 2ml, Inno- TDS - Cynara plus+ 5ml, Me line - 00 Prep 6 x 2ml 2ml, Me line - 01 Ethnic skin 20g 4g, Me line - 01 Intimate 6 x 2ml, Me line - 02 Intimate 20ml, Me line - 02 Ethnic skin day 30ml 4ml, Me line - 02 Spots 10ml and Me line - 02 Ethnic skin

night 20g 4g

^^ For addition of the products namely INNO-EPIGEN – Perfect Glow 150g, ME LINE - 04 BB Cream Medium 30g , INNO-DERMA - Xeroskin Night Cream 50g, Inno-Exfo – Xeroskin HRP 8x2ml, Inno-Exfo - AKN HRP 4x2ml, Inno-Exfo – REDNESS HRP 4x2ml, ME LINE - 02 Caucasian Skin Day 30ml , Inno-Exfo – SENSITIVE HRP 4x2ml, ME LINE - 01 Caucasian Skin 15 g and ME LINE - 02 Caucasian Skin Night 30g

^^^For the import of Purified Botulinum Toxin Type A Complex (100 units)

# AZUL AMPOULE 8 ml, HA SERUM 40 ml x 2, ZINC GLUCONATE SERUM 70ml, LIGHTENING SERUM 70ml, L-ASCOR C SERUM 70ml, Lyoaran Synergy Ampoule Serum 50g, KTAMIN REPAIR CREAM 20ml, LOTUS TONER plus ECTOIN 140ml, 30ml, Pumpkin peel 130g, PUMPKIN ACTIVATOR 200ml, HYALURONIC TABS C 8 TABS\*5, Vital C Serum 30ml, De Mela Lightening Cream 50ml, PINK Magic Serum 45ml, BLACK SEBO CONTROL TONER 140ml, PINK Magic Cream 50ml, Black Peel Exo Resurfacing 10ml, BIO CELL ACTIVE C SERUM 6ml\*6, LYPOARAN Synergy Cream 50ml, Yes Cream 50ml, Pure C TX Serum 30ml, Azul Ampoule 30ml, HA SERUMS 40ml, SPIRULINA COOLING MASK 750g, Strawberry Mask 250ml, De Mela O2 Peel Lightening Cream Mask 250ml, Yes Filling mask 25 Pieces, COLLAGEN DRY SKIN MASK 250ml, OMEGA-3 MARINE MASK 750g, Soothing Repair Mask 250ml, ACEROLA MARINE MASK 750g, Sulfur THERAPEUTIC Mask 330 g, DECONGEST GEL MASK 250ml, SEAWEED MASK 250ml, Azul Mask 250ml, ACEROLA MASK 250ml, CAMPHOR MASK 250ml, PINK DD Smart Patch 12pcs, TEATREE COOLING MARINE MASK 750g, SEBO HYDRA INFUSED MASK 50ml, PINK Cream Mask 250ml, Vital C Activator 120ml, Lactic 20 120ml, GLYCOLIC ACID 40% Ph3 120ml, AHA KOJIC PEEL PIGMENT CORRECTION 120ml, Black Peel Natural Organic Peel 10ml, GENTLE PEELING CREAM 250ml, PINK peel solution 120ml, De Mela O2 Peel Exfoliator 120ml, 30ML, De Mela O2 Peel Powder A 80g, De Mela O2 Peel Activator B 120ml, Yes Peel & Fill 50ml, Redness Relief 70ml, GREEN TEA NEUTRALIZER 250ml, MESO PEEL 120ml, Moisture Essence Sun Gel SPF50+ PA+++ 50g, BB WHITE Moisture SPF50+PA+++ 20g and BIO CELL HAIR Serum 4ml\*6

### III. Material approvals or renewals for which applications are currently pending before relevant authorities

Sr. No.	Details of Application	Application number	Date of Application
1	Application for License to import Medical Devices under the Medical Devices Rules, 2017	IMP/MD/20231/98026	August 17, 2023
2.	Renewal Application for License to import Medical Devices under the Medical Devices Rules, 2017	IMP/Form8/FF/2025/39165	January 07, 2025

### IV. Material approvals expired and renewal yet to be applied for

Nil

### V. Material approvals required but not obtained or applied for

Nil

### VI. Intellectual Property

As on the date of this Draft Red Herring Prospectus, our Company has registered a total of 38 trademarks with the Registrar of Trademarks under the Trademarks Act, 1999.

### VII. Pending Intellectual property related approvals Application

As on the date of this Draft Red Herring Prospectus, our Company has applied for registration of 5 trademarks with the Registrar of Trademarks under the Trademarks Act, 1999, which are objected as on date.

For risk associated with our intellectual property please see, “**Risk Factors**” on page 27 of this Draft Red Herring Prospectus.

## OTHER REGULATORY AND STATUTORY APPROVALS

### Authority for the Issue

The Issue has been authorized by the board of directors by passing a resolution in the Board Meeting dated January 06, 2025, and the Issue has been authorized by the members by passing a special resolution in the Extra-ordinary General Meeting, dated January 07, 2025.

This Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution passed on February 28, 2025.

Our Company has received in-principle approvals from NSE Emerge for the listing of the Equity Shares pursuant to its letter dated [●].

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, members of the promoter group and our directors have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Our Promoters and Directors are not directors or promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

Our Promoters and our Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

### Prohibition by RBI

Neither our Company, our Promoters, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoters have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter "*Outstanding Litigations and Material Development*" on page 240.

### Association with Securities Market

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

### Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Directors, our Promoters and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

### Eligibility for the Issue

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our Company, nor our Promoters, promoter group nor directors are debarred from accessing the capital market by the Board.
- Neither our Promoters, nor any directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Company, nor our Promoters, Promoter Group nor our directors, are Willful Defaulters or a Fraudulent Borrower.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.

- Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital is more than ten (10) crores and upto twenty-five (25) crore rupees and can issue Equity Shares to the public and propose to list the same on the SME Platform of National Stock Exchange of India Limited.

We further confirm that:

- (i). In accordance with Regulation 260 of the SEBI ICDR Regulations, this issue is 100% underwritten and that the Book Running Lead Manager shall underwrite minimum 15% of the Issue Size.
- (ii). In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (four) days of such intimation. If such money is not repaid within 4 (four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, our Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- (iii). In terms of Regulation 246(1) of the SEBI ICDR Regulations, 2018, a copy of the prospectus will be filed with the SEBI through the BRLM immediately upon filing of the offer document with the Registrar of Companies.

However, as per Regulation 246(2) of the SEBI ICDR Regulations, 2018, The SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246(3) of the SEBI ICDR Regulations, 2018 the Book Running Lead Manager will also submit a due diligence certificate as per format prescribed by SEBI along with the prospectus to SEBI.

Further, in terms of Regulation 246(4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Book Running Lead Manager and the Emerge Platform of NSE. Moreover, in terms of Regulation 246(5) of the SEBI (ICDR) Regulations, 2018, a copy of prospectus shall also be furnished to the SEBI in a soft copy.

- (iv). In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018 we hereby confirm that we have entered into an agreement dated [●] with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the Emerge Platform of NSE.

**In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, we confirm that we have fulfilled eligibility criteria for EMERGE Platform of NSE, which are as under**

- ***Incorporation: The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.***

Our Company is incorporated under the Companies Act, 2013 in India.

- **Track Record**

The Company should have a track record of at least 3 years.

Our Company was incorporated on June 20, 2013 under the provisions of the Companies Act, 1956 vide certificate of incorporation issued by Registrar of Companies, Mumbai. Therefore, we are in compliance with criteria of having track record of 3 years.

- **Post Issue Paid up Capital: The post issue paid up capital of our Company (face value) shall not be more than Rs. 25 crores**

The present paid up capital of our Company is ₹1042.24 lakhs and we are proposing IPO upto 37,50,400 Equity shares of ₹10 each at Issue price of ₹ [●] per Equity Share including share premium of ₹[●] per Equity Share, aggregating to ₹[●] lakhs. Hence our post-Issue paid-up capital will be up to ₹[●]. So, our Company has fulfilled the criteria of post issue paid up capital shall not be more than ₹25 Crores.

- **Net-worth: Positive Net-worth**

As per Restated Financial Statement, the net-worth of our Company is ₹1,252.56 lakhs as on March 31, 2024.

- **Operating Profit (earnings before interest, depreciation and tax) from operations for atleast 2 (two) out of 3 (three) financial years:**

Our Company is having operating profit, details are mentioned as below.

Particulars	(₹ in Lakhs)		
	March 31, 2024	March 31, 2023	March 31, 2022
Net Worth <sup>#</sup>	1,252.56	965.54	802.72
Operating Profit (earnings before interest, depreciation and tax)*	499.89	352.86	239.56

<sup>#</sup>Excluding capital reserves, ESOP Reserve and minority interest

\*Excluding Other Income

- The Company has positive Free cash flow to Equity in at least 2 out of 3 financial years preceding the date of this Draft Red herring Prospectus as given below:

Particulars	For the Financial Year Ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Net Cash flow from Operations	(804.40)	(292.75)	48.40
Less: Purchase of Fixed Assets (net of sale proceeds of Fixed Assets)	5.17	26.35	18.80
Add: Net Total Borrowings (net of repayment)	918.23	205.50	(6.51)
Less: Interest expense x (1-T)	73.23	25.06	13.51
Free cash flow to Equity (FCFE)	35.43	(138.66)	9.58

- Our Company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) and no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- Our Company has not received any winding up petition admitted by a NCLT/Court.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our Company.
- Our Company has a website: [www.aakaarmedical.in/](http://www.aakaarmedical.in/)

#### Other Disclosures:

We further confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of our Promoters.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders,

- banks, FIs by our Company and Promoters during the past three years.
- There are no litigations record against our Company, Promoters, Directors and Subsidiaries except disclosed on page 240 in section "***Outstanding Litigation and Other Material Developments***".
  - There are no criminal cases/investigation/offences filed against the director of our Company.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, INDORIENT FINANCIAL SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN ON FORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, INDORIENT FINANCIAL SERVICES LIMITED HAVE FURNISHED A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 28, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC, Uttarakhand including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC, Mumabi including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

#### **Disclaimer from our Company and the Book Running Lead Manager**

Our Company, our Promoters, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, [www.aakaarmedical.in](http://www.aakaarmedical.in) would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Book Running Lead Manager and our Company on February 25, 2025 and the Underwriting Agreement dated February 25, 2025 entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

### **Disclaimer in respect of jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Red Herring Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.**

Applicants are advised to ensure that any Applications from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Applicant where required must agree in the Allotment Advice that such Applicants will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

### **Disclaimer Clause of the EMERGE Platform of NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus / Prospectus prior to the filing with the RoC, Mumbai.

### **Disclaimer Clause under the U.S. Securities Act, 1933**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “**Securities Act**”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “**U.S. persons**” (as defined in Regulations of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

### **Filing**

This Draft Red Herring Prospectus is being filed with the Emerge Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed. National Stock Exchange of India Limited is located at the Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Draft Red Herring Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/Prospectus, along with the material contracts and documents required to be filed under Section 26 of the Companies Act, 2013 would be filed with the ROC office situated at Mezzanine, Floor 78, Rajpur Road, Office No. 259, Shri Radha Palace, Dehradun The Mall, PIN-248001, Uttarakhand through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

### **Listing**

Application will be made to the Emerge platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

Our Company has received an In-principle Approval letter dated [●] from NSE for using its name in this Issue Document for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in

pursuance of the Prospectus. If such money is not repaid within four days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of fourth days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within such period from the Issue Closing Date as may be required under the applicable laws.

### **Consents**

Consents in writing of (a) our Directors, our Promoters, our Company Secretary & Compliance Officer, our Chief Financial Officer, Senior Managerial Personnel (SMP), our Statutory Auditor, Banker(s) to the Company, Independent Chartered Accountant; (b) Book Running Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Counsel to the Issue, Underwriter(s) to the Issue\*, Market Maker to the Issue\* and Syndicate Members\* to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

\* The consents will be taken while registering the Red Herring Prospectus / Prospectus with ROC.

### **Experts**

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

Our Company has received written consent dated February 25, 2025 from M/s C B Mehta & Associates, Chartered Accountants, the Peer Reviewed Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Peer Reviewed Auditor and in respect of its (i) examination report dated February 25, 2025 on our restated financial information; and (ii) its report dated February 25, 2025 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The term “experts” and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

### **Impersonation**

**Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:**

*“Any person who-*

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under section 447 of the Companies, Act 2013.*

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

**Particulars regarding Public or Rights Issues during the last five (5) years and performance vis-à-vis objects**

Our Company has not made any previous public during the last five (5) years preceding the date of this Draft Red Herring Prospectus, further for details in relation to right issue made by our Company during the five years preceding the date of this Draft Red Herring Prospectus, please refer to section titled "*Capital Structure*" on page 75.

**Performance vis-à-vis objects – issue of subsidiaries/ listed promoters**

As on date of this Draft Red Herring Prospectus, our Company does not have any listed subsidiaries. Further, as on date of this Draft Red Herring Prospectus, our Company does not have any corporate promoters.

**Previous issues of Equity Shares otherwise than for cash**

Other than as disclosed in the section titled "*Capital Structure*" on page 75, our Company has not undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

**Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

**Performance vis-à-vis objects –Public/ rights issue of the listed subsidiaries/listed Promoter of our Company**

Our Promoters, Promoter Group or Group Company company has not undertaken any previous public or right issue during the period of last five years.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments**

Our Company does not have any outstanding debentures or bonds or preference redeemable shares as on the date of filing this Draft Red Herring Prospectus.

**Partly Paid-up Shares**

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

**Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Red Herring Prospectus.

**Option to Subscribe**

Equity Shares being offered through the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus can be applied for in dematerialized form only.

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**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUED HANDLED BY THE BRLM:**

**1. Price information of past issues handled by Indorient Financial Services Limited**

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing*	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*
1.	Secmark Consultancy Limited	15.04	135.00	10/1/2020	134.00	-53.52 [2.37]	-61.26% [23.04%]	-57.63% [26.65%]
2.	eMudhra Limited	412.79	256.00	6/1/2022	271.00	-1.52% [-4.27%]	40.66% [4.68%]	22.13% [12.48%]
3.	Techknowgreen Solutions Limited	16.71	86.00	9/27/2023	87.00	99.01% [-4.49%]	232.97% [7.54%]	119.77% [10.15%]
4.	New Jaisa Technologies Limited	39.93	47.00	10/5/2023	71.00	186.17% [-1.61%]	194.79% [10.85%]	107.02% [14.92%]
5.	Canarys Automation Limited	47.03	31.00	10/11/2023	43.45	37.26% [-2.10%]	38.23% [8.59%]	5.81% [13.64%]
6.	Plada Infotech Services Limited	12.35	48.00	10/13/2023	59.00	-10.52% [-1.65%]	-10.21% [9.46%]	-39.48% [14.64%]
7.	Chatha Foods Limited	33.39	56.00	3/27/2024	73.00	73.21% [1.84%]	76.89% [5.95%]	109.82% [15.82%]
8.	Yash Highvoltage Limited	110.01	146.00	12/19/2024	277.40	75.75% [-3.28%]	-	-
9.	EMA Partners India Limited	76.01	124.00	1/24/2025	156.50	0.36 [-1.28]	-	-

**Summary Statement of Disclosure:**

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium – 180 <sup>th</sup> calendar day from listing day*		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
Financial Year 2021	1	15.04	1	-	-	-	-	-	1	-	-	-	-	
Financial Year 2023	1	412.79	-	-	1	-	-	-	-	-	-	-	1	
Financial Year 2024	5	149.41	-	-	1	3	1	-	-	1	-	3	1	
Financial Year 2025	2	186.02	-	-	-	1	-	-	-	-	-	-	-	

**Break -up of past issues handled by Indorient Financial Services Limited:**

Financial Year	No. of SME IPOs	No. of Main Board IPOs
2021-2022	-	-
2022-2023	-	1
2023-2024	5	-

**Notes:**

1. \*Source: All share price data is from [www.nseindia.com](http://www.nseindia.com).
2. NSE Nifty is considered as the Benchmark Index.
3. In case 30th/ 90th is not a trading day, closing price on NSE of the previous trading day for the respective Script has been considered, however, if script is not traded on that previous trading day then last trading price has been considered.

For details regarding the track record of the Book Running Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the website of the Book Running Lead Manager as set forth in the table below:

Sr. No.	Name of the Book Running Lead Manager	Website
1.	Indorient Financial Services Limited	<a href="http://www.indorient.in">www.indorient.in</a>

## **Stock market data of the Equity Shares**

As the Issue is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

## **Mechanism for Redressal of Investor Grievances**

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least eight (8) year from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of Draft Red Herring Prospectus. Since there are no investor complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

## **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the grievances of our security holders. For further details on the Stakeholders Relationship Committee, please refer to section titled "**Our Management**" on page 166.

The Company Secretary of our Company shall serve as the secretary of the Stakeholders' Relationship Committee.

**Our Company has appointed Anoopkumar Vishwanathan Pillai, Company Secretary and the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

### **Anoopkumar Vishwanathan Pillai**

801, Heritage Plaza,  
Telli Galli Cross Road,  
Andheri (East), Mumbai - 400069,  
Maharashtra, India

**Telephone:** +91 84528 44024

**E-mail id:** [companysecretary@aakaarmedical.in](mailto:companysecretary@aakaarmedical.in)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 08, 2011, SEBI has launched a centralized web-based complaints redress system "**SCORES**". This would enable investors to lodge and follow up their complaints

and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in).

Our Company shall obtain authentication on the SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 read with SEBI circular SEBI/HO/OIAE/IGRD/CIR/P/2019/86 dated August 2, 2019, SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and SEBI Circular SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 7, 2022 and shall comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances.

#### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

#### **Other confirmations**

Any person connected with the Issue shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Issue, except for fees or commission for services rendered in relation to the Issue.

#### **Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

## SECTION VII – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being Issued are subject to the provisions of the Companies Act 2013, SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.

Please note that in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Further, vide the said circular, Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

#### **Authority for the Issue**

The present Public Issue of up to 37,50,400 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on January 06, 2025 and was approved by the Shareholders of the Company by passing Special Resolution at the Extraordinary General Meeting held on January 07, 2025 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

*\* Subject to finalisation of Basis of Allotment*

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see, “**Main Provisions of Article of Association**” on page 311.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI Listing Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, see “**Dividend Policy**” and “**Main Provisions of Article of Association**” on page 188 and 311 respectively.

## Face Value, Issue Price & Price Band

The face value of each Equity Share is ₹ 10/- and the Issue Price at the lower end of the Price Band is ₹[●] per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“**Cap Price**”). The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and will be advertised, at least 2 (two) Working Days prior to the Bid/ Issue Opening Date, in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Marathi national daily newspaper) Marathi being regional language of Maharashtra, where our Registered Office is situated) and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

## Compliance with SEBI (ICDR) Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act, 2013;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI Listing Regulations, MOA and AOA of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., see “**Main Provisions of the Articles of Association**” on page 311.

## Allotment only in Dematerialized Form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Issue:

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated January 21, 2025 between CDSL, our Company and the Registrar to the Issue.
- Tripartite Agreement dated January 07, 2025 between NSDL, our Company and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence,

the Equity Shares being offered can be applied for in the dematerialized form only.

#### **Minimum Application Value, Market Lot and Trading Lot**

In accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE Emerge (*SME platform of NSE*) from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **Minimum Number of Allottees**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within 4 (four) working days of closure of Issue.

#### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Mumbai.

**The Equity Shares have not been and will not be registered under the U.S Securities Act, 1933 or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the U.S. Securities Act, 1933 and the applicable laws of the jurisdictions where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

#### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013, and the rules framed thereunder, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/ transfer/ of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Corporate Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of

Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

### Bid / Issue Period

<b>BID/ISSUE OPENS ON</b>	[●] <sup>(1)</sup>
<b>BID/ISSUE CLOSES ON</b>	[●] <sup>(2)(3)</sup>

<sup>(1)</sup>Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be 1 (one) Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.

<sup>(2)</sup>Our Company, shall, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs (1) one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

<sup>(3)</sup>UPI mandate end time and date shall be 5.00 PM on Bid/Issue Closing Date.

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
<b>ANCHOR PORTION BID/ISSUE OPENS/CLOSES ON</b>	[●]
<b>BID/ISSUE OPENING DATE</b>	[●]
<b>BID/ISSUE CLOSING DATE</b>	[●]
<b>FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE (T+1)</b>	On or about [●]
<b>INITIATION OF REFUNDS (IF ANY, FOR ANCHOR INVESTORS)/ UNBLOCKING OF FUNDS FROM ASBA ACCOUNT (T+2)*</b>	On or about [●]
<b>CREDIT OF EQUITY SHARES TO DEMAT ACCOUNTS OF ALLOTTEES (T+2)</b>	On or about [●]
<b>COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGE (T+3)</b>	On or about [●]

\*\* In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 2 (two) Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding 2 (two) Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The BRLM shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no: SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022, and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, shall be deemed to be incorporated in the agreements to be entered into by and between our Company and the relevant intermediaries, to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company or the BRLM.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 (three) Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid-Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Submission and Revision in Bids will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail Applicants. The time for applying for Retail Individual Applicants on Bid/ Issue Closing Date may be extended in consultation with the BRLM, RTA and NSE taking into account the total number of Bids received up to the closure of timings.

On the Bid/ Issue Closing Date, the Bids shall be uploaded until: (i) 4.00 P.M. IST in case of Bids by QIBs and Non-Institutional Bidders, and (ii) until 5.00 P.M. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Issue, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum- Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI (ICDR) Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue

Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding a total of 10 (ten) Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

### **Minimum Subscription and Underwriting**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 (thirty) days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company, to the extent applicable, shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law.

In terms of Regulation 272(2) of SEBI (ICDR) Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within (two) days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within 4 (four) days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, see “**General Information - Underwriting**” on page 71.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing

of specified securities laid down by the Main Board. If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores and if the company fulfils the eligibility criteria for listing laid down by the main board, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares offered through this Issue are proposed to be listed on the NSE Emerge (SME platform of NSE), wherein the BRLM to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE.

For further details of the agreement entered into between the Company the BRLM and the Market Maker, see “*General Information*” on page 64.

### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of NSE.

### **Option to receive securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. Further it is mandatory for the investor to furnish the details of his/her depository account, & if for any reasons details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

### **As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue:**

The current provisions of the Foreign Exchange Management (Debt Instruments) Regulations, 2019, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management Act and regulations and rules made therein, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

### **Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **Restrictions, if any on transfer and transmission of shares and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoters minimum contribution in the Issue as detailed

under section titled “*Capital Structure*” on page 75, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares and on their consolidation/ splitting except as provided in the Articles of Association. For further details, see “*Main Provisions of the Articles of Association*” on page 311.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated daily newspaper and Marathi being regional language of Maharashtra, where our Registered Office is located) and shall be made available to the Stock Exchange for the purpose of uploading on its website.

### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre issue advertisements were published, within 2 (two) days of the Bid/ Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The BRLM through, the Registrar of the issue, shall notify the SCSBs and the Sponsor Bank, as applicable, to unblock the bid amounts in bank accounts of the ASBA Bidders and the BRLM shall notify the Escrow Collection Bank to release the Bid Amounts of the Anchor Investors and any other investors, as applicable, within 1 (one) working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the filing of Draft Red Herring Prospectus/ Red Herring Prospectus with Registrar of Companies.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.*

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer, whose post issue face value capital is more than ten crore rupees and upto twenty-five crore rupees shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“*SME Exchange*”, in this case being the NSE Emerge (SME platform of NSE)). For further details regarding the salient features and terms of such an issue see “*Terms of the Issue*” and “*Issue Procedure*” on page 262 and 274 respectively.

### Issue Structure

Initial Public Issue of up to 37,50,400\*Equity Shares of ₹10 each for cash at a price of ₹[●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs by the our Company.

*\*Subject to finalization of Basis of Allotment*

The Issue comprises reservation of up to [●] Equity Shares of ₹ 10 each for subscription by the designated Market Maker (the “**Market Maker Reservation Portion**”) and Net Issue to Public of up to [●] Equity Shares of ₹ 10 each (the “**Net Issue**”). The Issue and the Net Issue will constitute [●] % and [●] %, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Book Building Process. This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, 2018, as amended from time to time.

Particulars <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Bidders / Investors	Retail Individual Bidders / Investors
<b>Number of Equity Shares available for Allotment/ allocation*</b>	Upto [●] Equity Shares	Not more than [●] Equity Shares,	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIBs and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIBs and Non-Institutional Bidders
<b>Percentage of Issue Size available for Allotment/ allocation</b>	[●] of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue subject to the following; (a) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 2 lakhs and up to ₹ 10 lakhs; and (b) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 10 lakhs  provided that the unsubscribed portion in either of the sub-categories specified above may be allocated	Not less than 35% of the Net Issue.

Particulars <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Bidders / Investors	Retail Individual Bidders / Investors
			to Bidders in the other sub-category of Non-Institutional Bidders	
<b>Basis of Allotment <sup>(3)</sup></b>	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price	Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors.	Proportionate basis subject to minimum allotment of [●] Equity Shares
<b>Mode of Bidding</b>		Through ASBA process only (excluding the UPI Mechanism) except for Anchor Investors	Through ASBA process only (including the UPI Mechanism for a Bid size of up to ₹5.00 lakhs)	Through ASBA process only (including the UPI Mechanism)
<b>Minimum Bid</b>		Such number of [●] Equity Shares in multiples of [●] Equity Shares, such that the Bid Amount exceeds ₹2.00 lakhs	Such number of Equity Shares in multiples of [●] Equity Shares, such that the Bid Amount exceeds ₹2.00 lakhs	[●] Equity Shares and in multiples of [●] Equity Shares thereafter, such that the Bid Amount does not exceed ₹2.00 lakhs
<b>Maximum Bid</b>		Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue (excluding the Anchor Investor Portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue (excluding the QIB Portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹2.00 lakhs
<b>Mode of Allotment</b>	<b>Compulsorily in dematerialized form</b>			
<b>Trading Lot</b>	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof

Particulars <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Bidders / Investors	Retail Individual Bidders / Investors
Who can apply <sup>(3)(4)</sup>		Public financial institutions as specified in section 2(72) of the Companies Act, scheduled commercial banks, mutual funds, FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with certain minimum corpus pension funds (subject to applicable law) with certain minimum corpus of, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies	Resident individuals, NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies, and trusts and any individuals, corporate bodies and family offices which are re-categorised as category II FPI (as defined in the SEBI FPI Regulations) and registered with SEBI.	Resident individuals, NRIs and HUFs (in the name of the Karta)
Terms of Payment	<p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<sup>(4)</sup></p> <p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.</p>			

\* Assuming full subscription in the Issue.

<sup>(1)</sup> Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.

<sup>(2)</sup> In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

<sup>(3)</sup> Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLM and the Stock Exchange, subject to applicable laws.

<sup>(4)</sup> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under “**Issue Procedure - Bids by FPIs**” on pages 287 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first

Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

## ISSUE PROCEDURE

All Bidders should read the 'General Information Document for Investing in Public Issues' prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI ("**General Information Document**") and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section "PART B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the Book Running Lead Manager. The document will be updated to reflect the enactments and regulations including then Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. Please refer to the relevant portions of the General Information Document which are applicable to this Issue. The investors should note that the details and process provided in the General Information Document should be read along with this section.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Bidders may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Bidders eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for Bidders applying through ASBA process and Retail Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid Cum Application Form); (vii) Designated Date; (viii) disposal of Applications; (ix) submission of Bid Cum Application Form; (x) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI through its UPI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30,

2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Further, SEBI vide its circular bearing reference number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor’s bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Retail, QIB, NIB and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of National Stock Exchange of India Limited (“NSE EMERGE”) to act as intermediaries for submitting Application Forms are provided on [www.nseindia.com/emerge](http://www.nseindia.com/emerge) For details on their designated branches for submitting Application Forms, please see the above mentioned website of NSE Emerge.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus.

Further, the Company and the BRLM are not liable for any adverse occurrence’s consequent to the implementation of the UPI Mechanism for application in this Issue.

## **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the SEBI UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six working days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and was replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing would continued to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI Mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than 1 (one) Working Day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Issue BRLM will be required to compensate the concerned investor.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5 lakh, shall use the UPI Mechanism. Individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹2 lakh and up to ₹5 lakh, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs

or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

*For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.*

### **Book Building Procedure**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchange.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.**

Bidders are required to ensure that their PAN is linked with Aadhaar and they are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least (1) one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA

Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since as on date Phase III of the UPI Circulars is mandatorily applicable, the Issue is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below;

- RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- UPI Bidder using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

**Anchor Investors are not permitted to participate in the Issue through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors	[●]

Notes:

- (a) *Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the websites of the NSE at [www.nseindia.com](http://www.nseindia.com)*
- (b) *Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM.*

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)

Sr. No	Designated Intermediaries
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSB</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within (1) one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date ("Cut- Off Time"). Accordingly, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an Issue) at whose end the

lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an Issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

### **Availability of Draft Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE ([www.nseindia.com](http://www.nseindia.com)) at least (1) one day prior to the Bid/Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

### **Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: - Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- Venture Capital Funds and Alternative Investment Fund registered with SEBI;
- State Industrial Development Corporations;
- Foreign Venture Capital Investors registered with the SEBI;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India; Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds and Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Multilateral and bilateral development financial institution;
- Eligible QFIs;

- Insurance funds set up and managed by army, navy or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, India;
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

- Minors (except through their Guardians).
- Partnership firms or their nominations.
- Foreign Nationals (except NRIs).
- Overseas Corporate Bodies.

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

**Maximum and minimum application size**

**1. For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹2.00 lakhs. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹2.00 lakhs.

**2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2.00 lakhs and in multiples of [●] Equity Shares thereafter. an Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

**Method of bidding process**

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in [●] editions of [●] (a widely circulated English national daily newspaper),

[●] editions of [●] (a widely circulated [●] national daily newspaper) [●] being regional language of [●], where our Registered Office is situated, at least 2 (two) Working Days prior to the Bid/ Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid/ Issue Period.

- The Bid / Issue Period shall be for a minimum of 3 (three) Working Days and shall not exceed 10 (ten) Working Days or such time as may be prescribed under the applicable laws. The Bid/ Issue Period maybe extended, if required, by an additional 3 (three) Working Days, subject to the total Bid/ Issue Period not exceeding maximum permissible time period or such time as may be prescribed under the applicable laws. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated [●] national daily newspaper) and [●] being regional language of [●], where our Registered Office is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- The Bidder/ Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”
- Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form
- The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. (1) one working day prior to the Bid/ Issue Opening Date or such time as may be prescribed under the applicable laws. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “**Issue Procedure**” beginning on page 274.
- Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.

- If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **Bids at different price levels and revision of bids**

- Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

### **Option to Subscribe in the Issue**

- As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

### **Information for the Bidders**

- Our Company and the Book Running Lead Manager shall declare the Bid/ Issue Opening Date and Bid/ Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in advertisement in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper) Marathi being regional language of Maharashtra, where our Registered Office is situated, each with wide circulation. This advertisement shall be in prescribed format.
- Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/ Issue Opening Date or such time as may be prescribed under the applicable laws.
- Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
- Any Bidder who would like to obtain the Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
- Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
- Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
- The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
- Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
- Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should

mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

- The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **Bids by Anchor Investors:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200.00 lakhs.
- One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day or such time as may be prescribed under the applicable laws.
- Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - (a) where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - (b) where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but upto ₹2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and
  - (c) where the allocation under the Anchor Investor portion is more than ₹2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.
- Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

- If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date or such time as may be prescribed under the applicable laws. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 (ninety) days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 (thirty) days from the date of Allotment.
- The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident forms should authorise their respective SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders bidding through UPI Mechanism) to block their Non-Resident External (“NRE”) accounts (including UPI ID, if activated), or Foreign Currency Non-Resident (“FCNR”) accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using resident forms should authorise their SCSB to block their Non-Resident Ordinary (“NRO”) accounts or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/NRO accounts. Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] colour).

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Non-debt Instrument Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange will be considered for allotment.

For details of restrictions on investments by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 309.

### **Bids by HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder/applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or First Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

### **Bids By Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company’s paid-up share capital carrying voting rights.

### **Bids by FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Non-debt Instruments Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Bids by FPIs which utilise the multi investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be treated as multiple Bids.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM reserves the right to reject any Bid without assigning any reason, subject to applicable laws.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (ii) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

The FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for non-residents. Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (such structure referred to as “**MIM Structure**”), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids:

- (i) FPIs which utilise the MIM structure, indicating the name of their respective investment managers in such confirmation;
- (ii) Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- (iii) Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- (v) Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- (vi) Government and Government related investors registered as Category 1 FPIs; and
- (vii) Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the Applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid.

Further, please note that as disclosed in the Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum

Application Form “exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus.”

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the “**FPI Group**”) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Issue Equity Share capital shall be liable to be rejected.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

#### **Bids by SEBI registered VCFs, AIFs and FVCIs**

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the “**SEBI AIF Regulations**”) prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months period from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

**There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.**

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof subject to applicable law

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (“**Banking Regulation Act**”), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

### **Bids by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Bids by Insurance Companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended, are broadly set forth below:

- (i) equity shares of a company: the lower of 10% of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer or health insurer;
- (ii) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (iii) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (i), (ii) and (iii) above, as the case may be.

Insurance companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Bids by Systemically Important NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI; (ii) certified copy of its last audited financial statements on a standalone basis; (iii) a net worth certificate from its statutory auditor; and (iv) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC-SI shall be prescribed by RBI from time to time.

For more information, please read the General Information Document.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Issue.

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹250 million, in each case, subject to applicable law and in accordance with their respective constitutional documents a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLM, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the, in consultation with the BRLM, may deem fit, without assigning any reasons thereof.

### **Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid, without assigning any reason therefor.

**The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus.**

### **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE:**

- Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
- The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

## **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs. The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within 1 (one) day of receipt of such instruction or such time as may be prescribed under the applicable laws. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, UPI Bidder (including Retail Individual Bidders) applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- In case of resident Anchor Investors: “[●]”
- In case of Non-Resident Anchor Investors: “[●]”

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

### Electronic Registration of Applications

- The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
- The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 5.00 p.m. of the Issue Closing Date.
- The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to;
  - (a) the applications accepted by them,
  - (b) the applications uploaded by them,
  - (c) the applications accepted but not uploaded by them or d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
- Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (a) The applications accepted by any Designated Intermediaries;
  - (b) The applications uploaded by any Designated Intermediaries or;
  - (c) The applications accepted but not uploaded by any Designated Intermediaries
- The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
- With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1	Symbol
2	Intermediary Code
3	Location Code
4	Application No
5	Category
6	PAN
7	DP ID
8	Client ID
9	Quantity
10	Amount

\* Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.

- With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
  - (a) Name of the Bidder;
  - (b) IPO Name;
  - (c) Bid Cum Application Form Number;

- (d) Investor Category;
  - (e) PAN (of First Bidder, if more than one Bidder);
  - (f) DP ID of the demat account of the Bidder;
  - (g) Client Identification Number of the demat account of the Bidder;
  - (h) Number of Equity Shares Applied for;
  - (i) Bank Account details;
  - (j) Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - (k) Bank account number.
- In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the abovementioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
  - The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
  - Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
  - In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
  - The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
  - The Designated Intermediaries will be given time till 5.00 p.m. on the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
  - The SCSBs shall be given (1) one day after the Bid/Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
  - The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may

be made available at the Bidding centres during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Issue Price and the Anchor Investor Issue Price.
- The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

#### **Illustration of the Book Building and Price Discovery Process:**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

<b>Bid Quantity</b>	<b>Bid Amount (₹)</b>	<b>Cumulative Quantity</b>	<b>Subscription</b>
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or

below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### **Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC**

- Our company has entered into an Underwriting Agreement vide agreement dated February 25, 2025; and
- A copy of Red Herring Prospectus will be filed with the RoC and copy of Prospectus will be filed with RoC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company will, after registering this Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper) Marathi being regional language of Maharashtra, where our Registered Office is situated. Our Company shall, in the pre-Issue advertisement state the Bid/Issue Opening Date, the Bid/Issue Closing Date and the QIB Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of under the SEBI ICDR Regulations.

**The information set out above is given for the benefit of the Bidders/applicants. Our Company, the BRLM and the members of the Syndicate is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares for do not exceed the prescribed limits under applicable laws or regulations.**

#### **Allotment Advertisement**

Our Company, the BRLM and the Registrar to the Issue shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in: in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper) Marathi being regional language of Maharashtra, where our Registered Office is situated.

#### **General Instructions**

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid/ Issue Period and withdraw or lower the size of their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/ Issue Period.

#### **Do's:**

1. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021 and March 30, 2022, read with press release dated March 28, 2023;
2. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Ensure that (other than Anchor Investors) you have mentioned correct details of ASBA Account (i.e., bank account or UPI ID, as applicable) and PAN in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
6. Retail Individual Investors Bidding using the UPI Mechanism shall make Bids only through the SCSBs, Mobile Applications and UPI handles whose name appears in the list of SCSBs which are live on UPI,

- as displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
7. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
  8. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
  9. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Retail Individual Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, sub-Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
  10. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
  11. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;
  12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be specified in case of joint Bids;
  13. Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;
  14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
  15. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
  16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
  17. Ensure that the Demographic Details are updated, true and correct in all respects;
  18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
  19. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
  20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents, including a copy of the power of attorney, are submitted;
  21. Ensure that Bids submitted by any person resident outside India should be in compliance with applicable foreign and Indian laws;
  22. Retail Individual Investors Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
  23. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;
  24. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the

- event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
25. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/Issue Closing Date;
  26. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, were required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids are liable to be rejected;
  27. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM;
  28. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI (at [www.sebi.gov.in](http://www.sebi.gov.in)) or such other websites as updated from time to time);
  29. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
  30. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the Retail Individual Investor shall be deemed to have verified the attachment containing the application details of the Retail Individual Investor Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;
  31. Retail Individual Investors Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;
  32. Retail Individual Investors Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner and;
  33. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Issue.
  34. Ensure that the Anchor Investors submit their Bid cum Application Forms only to the BRLM;
  35. The ASBA Bidders shall ensure that that bids above ₹5,00,000 are uploaded only to the SCSBs.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
5. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;
6. Anchor Investors should not Bid through the ASBA process;
7. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;

8. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;
9. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
10. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue/Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
12. Do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date;
13. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Issue Closing Date;
14. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
15. If you are a RIB and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
16. Do not submit the General Index Register (GIR) number instead of the PAN;
17. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Investors)
18. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
19. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of Retail Individual Investors Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;
20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors revise or withdraw their Bids until the Bid/Issue Closing Date;
21. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
22. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by Retail Individual Investors using the UPI Mechanism;
23. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
24. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
25. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a Retail Individual Investor Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or Mobile Applications and/or UPI handle that is not listed on the website of SEBI;
26. Do not submit a Bid using UPI ID, if you are not a Retail Individual Investor;
27. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
28. RIIs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected;
29. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism);
30. Do not Bid if you are an OCB;
31. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account; and
32. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹5,00,000.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

For details of grounds for technical rejections of a Bid cum Application Form, see the General Information Document.

## **Other instructions for the Bidders**

### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

### **Investor Grievance**

In case of any pre-issue or post issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

### **Submission of Bids**

- During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

## **GROUNDS OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;

- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulations;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Details of ASBA Account not provided in the Bid cum Application form; and
- Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **Basis of Allocation**

- The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.

- In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

### **Allotment Procedure and Basis of Allotment**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

### **BASIS OF ALLOTMENT**

- **For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

- **For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

- **For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment shall be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
  - (i) In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion;

- (ii) In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price;
  - (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below.
- (b) In the second instance Allotment to all QIBs shall be determined as follows:
- (i) In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion;
  - (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders; and
  - (iii) Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

• **Allotment To Anchor Investor (If Applicable)**

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
- (i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - (ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - (iii) allocation to Anchor Investors shall be on a discretionary basis and subject to: a maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- (b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

Anchor Investors will be sent a revised CAN within 1 (one) day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

**BASIS OF ALLOTMENT FOR QIBS (OTHER THAN ANCHOR INVESTORS) AND NIIS IN CASE OF OVER SUBSCRIBED ISSUE**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (SME platform of NSE) (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- (a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the

inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).

- (b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - (i) Each successful Bidder shall be allotted [●] equity shares; and
  - (ii) The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- (d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- (e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.

**Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/-.** Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

**Flow of Events from the closure of Bidding period (T DAY) Till Allotment:**

- On T Day, RTA To validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawal of lots wherever applicable , through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below .:

#### **Process for generating list of allottees: -**

- On the basis of the above, the RTA will work out the allottees, partial allottees and non-allottees, prepare the fund transfer letters and advise the SCSBs to debit or unblock the respective accounts. system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by DSE is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

On the basis of the above, the RTA will work out the allottees, partial allottees and non-allottees, prepare the fund transfer letters and advise the SCSBs to debit or unblock the respective accounts.

#### **Issuance of Allotment Advice**

- Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.
- Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within such time as may be prescribed under the applicable laws from the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within 1 (one) working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**The Executive Director/ Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

#### **Designated Date:**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue. The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within such working days as may be required under applicable law from the Issue Closing date.

The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

#### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of DPs centres for collecting the application shall be disclosed is available on the websites of NSE i.e. [www.nseindia.com](http://www.nseindia.com).

### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected. Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE SME where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (Two) working days of the Issue ClosingDate, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

### **Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*“Any person who—*

- A. *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- B. *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- C. *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months period extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50 lakhs or with both.

### **Undertakings by our Company**

Our Company undertakes the following:

- (i) the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- (ii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws, failing which interest will be due to be paid to the Bidders at the rate prescribed under the applicable laws for the delayed period;
- (iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within 3 (three) Working Days of the Bid/Issue Closing Date or such other time as may be prescribed under the applicable laws;
- (iv) the funds required for making refunds/ unblocking (to the extent applicable) to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- (v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- (vi) that if our Company does not proceed with the Issue after the Bid/Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within such time as may be prescribed under the applicable laws of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- (vii) that if our Company, in consultation with the BRLM, withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh draft Issue document with the SEBI, in the event our Company subsequently decides to proceed with the Issue thereafter;
- (viii) Promoter's contribution, if any, shall be brought in advance before the Bid / Issue Opening Date;
- (ix) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and
- (x) no further issue of Equity Shares shall be made until the Equity Shares Issued through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

### **Undertakings of Issue Proceeds**

The Board of Directors of our Company certifies that:

- i. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- ii. Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- iii. Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested;
- iv. Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue;
- v. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received; and
- vi. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as Department of Industrial Policy and Promotion*) (“**DPIIT**”), issued the FDI Policy, which is effective from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Under the current FDI Policy, 100% foreign direct investment is permitted in the medical aesthetics sector, under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Issue Procedure – Bids by Eligible NRIs*” and “*Issue Procedure – Bids by FPIs*” on page 286 and 287, respectively.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Issue Procedure*” on page 274.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sales occur.**

The Equity Shares have not been and will not be registered, listed, or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations which may occur

after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

## SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

*Pursuant to the Companies Act and the SEBI ICDR Regulations, the Description of Equity Shares and Terms of the Articles of Association are detailed below. Capitalized terms used in this section have the meaning given to them in the Articles of Association. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.*

*The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Extraordinary General Meeting held on, [●], in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.*

### MAIN ARTICLES OF ARTICLES OF ASSOCIATION

#### PART – A

1. The regulations contained in Table F, in the Schedule I to the Companies Act, 2013 or in the Schedule, to any previous Companies Act, shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.
2.
  - a. The Regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration or modification or addition to its Regulations in the manner prescribed under the Companies Act, 2013, shall be such as are contained in these Articles.
  - b. These Regulations shall be binding on both the Company and the Members and every Member shall be deemed to have joined the Company on the foregoing basis.
3. The marginal notes hereto shall not affect the construction hereof. In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context;

#### Interpretation

- i. “**Act**” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any Previous Company Law, so far as may be applicable, including Rules.
- ii. “**Affiliate(s)**” shall mean (a) in case of natural persons, relatives (as defined under the Act) shall be deemed to be Affiliates of such natural persons; and (b) in respect of any specified person, any other person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such specified person.
- iii. “**Articles**” means the Articles of Association of the Company for the time being in force or as altered from time to time.
- iv. “**Article**” or “**Regulation**” unless the context otherwise requires, means the Article or Regulation comprised in these Articles.
- v. “**Alter**” and “**Alteration**” shall include the making of additions, modifications, deletions and substitutions.
- vi. “**Annual General Meeting**” means a General Meeting of the Members held in accordance with the provision of Section 96 of the Act.
- vii. “**Associate Company**” in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the Company having such influence and includes a joint venture company. For the purposes of this definition,
  - (a) “significant influence” means Control of at least twenty percent of total share capital, or of business decisions under an agreement;

- (b) “joint venture” means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.
- viii. “**Auditors**” means and includes those persons appointed as such for the time being of the Company in terms of the Act.
- ix. “**Board of Directors**” or “**Board**” in relation to the Company, means the collective body of the Directors of the Company or any Committee of the Board duly constituted in terms of these Articles and the applicable provisions of the Act;
- x. “**Body Corporate**” or “**Corporation**” includes a company incorporated outside India, but does not include—
  - (a) a co-operative society registered under any law relating to co-operative societies; and
  - (b) any other Body Corporate (not being a company as defined in this Act), which the Central Government may, by notification, specify in this behalf.
- xi. “**Book and Paper**” and “**Book or Paper**” include books of account, deeds, vouchers, writings, documents, minutes and registers maintained on paper or in electronic form.
- xii. “**Books of Accounts**” includes records maintained in respect of—
  - (a) all sums of money received and expended by the Company and matters in relation to which the receipts and expenditure take place;
  - (b) all sales and purchases of goods and services by the Company;
  - (c) the assets and liabilities of the Company; and
  - (d) the items of cost as may be prescribed under Section 148 in the case of the Company which belongs to any class of companies specified under that section.
- xiii. “**Capital**” means the share capital for the time being raised or authorized to be raised for the purpose of the Company.
- xiv. “**Chairman**” or “**Chairperson**” shall mean such person as is nominated or appointed in accordance with Article 99(a) (Chairperson of the Board)) herein below.
- xv. “**Charge**” means an interest or lien created on the property or assets of the Company or any of its undertakings or both as security and includes a mortgage.
- xvi. “**Chief Financial Officer**” means a person appointed as the Chief Financial Officer of the Company.
- xvii. “**Control**” shall include the right to appoint a majority of the Directors or to control the management or policy decisions of the Company, exercisable by a person or persons acting individually or jointly or in concert, directly or indirectly, including by virtue of their shareholding or management rights or members agreements or voting agreements or in any other manner and the terms “**Controlled**” and “**Controlling**” shall be construed accordingly.
- xviii. “**Court**” means—
  - (a) the High Court having jurisdiction in relation to the place at which the registered office of the Company is situate, except to the extent to which jurisdiction has been conferred on any district Court or district Courts subordinate to that High Court under (b) hereinafter;
  - (b) the district court, in cases where the Central Government has, by notification, empowered any

district Court to exercise all or any of the jurisdictions conferred upon the High Court, within the scope of its jurisdiction in respect of the Company whose registered office is situate in the district;

- (c) the Court of Session having jurisdiction to try any offence under this Act or under any Previous Company Law;
  - (d) the Special Court established under Section 435 of the Act;
  - (e) any Metropolitan Magistrate or a Judicial Magistrate of the First Class having jurisdiction to try any offence under this Act or under any Previous Company Law;
- xix. **“Debenture”** includes debenture stock, bonds or any other instrument of the Company evidencing a debt, whether constituting a Charge on the assets of the Company or not;
- xx. **“Directors”** means a director appointed to the Board of the Company.
- xxi. **“Dividend”** includes any interim Dividend.
- xxii. **“Document”** includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.
- xxiii. **“Executor”** or **“Administrator”** means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under Section 31 of the Administrator General Act, 1963.
- xxiv. **“Extraordinary General Meeting”** means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.
- xxv. **“Financial Statement”** in relation to the Company, includes—
- (a) a balance sheet as at the end of the Financial Year;
  - (b) a profit and loss account for the Financial Year;
  - (c) cash flow statement for the Financial Year;
  - (d) a statement of changes in equity, if applicable; and
  - (e) any explanatory note annexed to, or forming part of, any document referred to in (a) to (d) above.
- xxvi. **“Financial Year”** in relation to the Company shall mean any fiscal year of the Company beginning on 1<sup>st</sup> day of April of every calendar year and ending on the 31<sup>st</sup> day of March of the following calendar year.
- xxvii. **“General Meeting”** means a meeting of Members.
- xxviii. **“In Writing”** and **“Written”** includes printing lithography and other modes of representing or reproducing words in a visible form and shall include email, and any other form of electronic transmission.
- xxix. **“Key Managerial Personnel”** means the Chief Executive Officer or the Managing Director or the Manager; the Company Secretary; Wholtime Director; Chief Financial Officer; such other Officer, not more than one level below the Directors who is in whole-time employment of the Company, designated

as Key Managerial Personnel by the Board and such other Officer as may be notified from time to time in the Act and the Rules.

- xxx. “**Legal Representative**” means a person who in law represents the estate of a deceased Member.
- xxxi. “**Manager**” means an individual who, subject to the superintendence, control and direction of the Board of Directors, has the management of the whole, or substantially the whole, of the affairs of the Company, and includes any Director or any other person occupying the position of a Manager, by whatever name called, whether under a contract of service or not.
- xxxii. “**Managing Director**” means a Director who, by virtue of the Articles of the Company or an agreement with the Company or a resolution passed in its General Meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of Managing Director, by whatever name called.
- xxxiii. “**Members**” means the duly registered holders, for the time being of the Shares of the Company and in case of Shares held in dematerialized form such persons whose name is entered as a beneficial owner in the records of a depository.
- xxxiv. “**Month**” means a calendar month.
- xxxv. “**National Holiday**” means and includes a day declared as National Holiday by the Central Government.
- xxxvi. “**Office**” means the Registered Office for the time being of the Company.
- xxxvii. “**Officer**” includes any Director, Manager or Key Managerial personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act.
- xxxviii. “**Ordinary Resolution**” and “**Special Resolution**” shall have the meanings assigned thereto by Section 114 of the Act.
- xxxix. “**Paid-up**” in relation to shares includes credited as paid-up.
- xl. “**Person(s)**” shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal identity).
- xli. “**Previous Company Law**” means the Companies Act, 1956 (1 of 1956) and any law corresponding to the said Companies Act, 1956 (1 of 1956).
- xlii. “**Proxy**” means an instrument whereby any person is authorized to vote for a member at a General Meeting or poll and includes attorney duly constituted under the power of attorney.
- xliii. “**Rules**” means the applicable rules for the time being in force as prescribed under relevant sections of the Act.
- xliv. “**Secretary**” means a company secretary as defined in clause (c) of sub-section (1) of Section 2 of the Company Secretaries Act, 1980 who is appointed by the Board of Directors to perform the functions of a company secretary under this Act and is a Key Managerial Person.
- xlv. “**Share**” means a share in the Share Capital of the Company and includes stock.
- xlvi. “**Subsidiary**” shall have the same meaning as the term “subsidiary” as defined under Section 2(87) of the Act.
- xlvii. “**The Company**” or **This Company**” means Aakaar Medical Technologies Limited established as aforesaid.

- xlvi. **“These presents”** means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.
- xlix. **“The Register of Members”** means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act and can be kept anywhere in or outside India.
  - l. **“Tribunal”** means the National Company Law Tribunal constituted under Section 408 of the Act.
  - li. **“Variation”** shall include abrogation; and “vary” shall include abrogate.
  - lii. **“Voting Right”** means the right of a Member of the Company to vote in any meeting of the Company or by means of postal ballot.
  - liii. **“Whole-Time Director”** includes a Director in the whole-time employment of the Company.
  - liv. **“Year”** means the financial year and Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender. Unless the context otherwise requires words and expressions contained in these Articles shall bear the same meaning as in the Act.

Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

Unless the context otherwise requires words and expressions contained in these Articles shall bear the same meaning as in the Act.

- 4. **Public company**  
The Company is a ‘Public Company’ within the meaning of Section 2(71) of the Act.
  - i. **Share Capital and Debenture**
- 5. **Authorized Capital**  
The authorized share capital of the Company shall be as mentioned at Clause V of the Memorandum of Association of the Company.
- 6. **Shares under Control of the Board**  
Subject to the provisions of the Act and these Articles, the Shares in the Capital of the Company shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any Person or Persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board of Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property or assets of any kind whatsoever, sold or to be sold or transferred or to be transferred or goods or machinery supplied or to be supplied or for service rendered or to be rendered or for technical assistance or know-how made or to be made available to the Company for the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call on shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.
- 7. **Kinds of Share Capital**  
The Share Capital of the Company shall be of two kinds, namely:-
  - a. Equity share capital
    - i. with Voting Rights; or
    - ii. with differential rights as to Dividend, voting or otherwise in accordance with the Act

and the Rules; and

- b. Preference share capital.
8. **Debentures**  
Notwithstanding anything contained in these Articles but subject to the provisions of the Act and any other applicable provision of the Act or any other law for the time being in force and Rules, the Company may issue Debentures.
9. **Redeemable Preference Shares**  
Subject to the provisions of the Act and Rules, the Company shall have the power to issue Preference Shares which are, at the option of the Company, liable to be redeemed on or within the expiry of a period of 20 (twenty) years from the date of their issue and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.
10. **Variation of Rights**  
If at any time the Share Capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.
11. **Share Certificate**  
A certificate, issued under the Common Seal of the Company, specifying the Shares held by any Person, shall be prima facie evidence of the title of the Person to such Shares.
12. (a). Every Person whose name is entered as a Member in the Register of Members shall be entitled to receive within two months from the date of allotment or within one month of the receipt by the Company of application for the registration of transfer or transmission or sub-division or consolidation or renewal of any of its Shares as the case may be, within such other period as the conditions of issue shall be provided:  
i. one certificate for all his shares without payment of any charges; or  
ii. several certificates, in marketable lots, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (b) Every certificate so issued shall be under the Seal of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon, and be in the prescribed form, duly signed by two Directors and an authorized person or Company Secretary as the case may be and shall specify the Shares to which it relates and the amount paid-up thereon.
- (c) In respect of any Share or Shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all such holders.
- (d) The provision of this Article shall mutatis mutandis apply to debentures of the Company.
13. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (which shall not exceed the maximum amount permitted under applicable law) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Further, no fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death

or Marriage, Power of Attorney or similar other document.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the Rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

The provision of this Article shall *mutatis mutandis* apply to Debentures of the Company.

14. **Company not bound to recognize any interest in share other than that of registered holders.**  
Except as ordered by a Court of competent jurisdiction or as by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the depository as the absolute owner thereof and accordingly shall not be bound to recognize (even when having notice thereof) any benami trust or equity, equitable, contingent, future or partial interest in any share, other claim or any interest in any fractional part of a share, or (except only as is by these Articles otherwise expressly provided or by law otherwise provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the Person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more Persons or the survivor or survivors of them.
15. If shares are held in dematerialized mode, the record of the depository will be the prima facie evidence of the interest of the beneficial owner and the provision of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply (except where the Act otherwise requires) to issue of certificates for any other securities including Debentures of the Company.
16. **Commission**
- (a) The Company may exercise the powers of paying commissions conferred by the Act, to any Person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.
  - (b) The rate or amount of the commission shall not exceed the rate or amount as prescribed in the Rules.
  - (c) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
17. **Further issue of capital**
- (a) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered, subject to the provisions of Section 62 of the Act, and the rules made thereunder:
    - 1. to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:
      - i. The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
      - ii. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in Article 17(a)(1)(i) herein shall contain a statement of this right;
      - iii. After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company.
    - 2. to employees under a scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the Rules and such conditions, as may be prescribed; or
    - 3. to any Persons, if it is authorised by a special resolution, whether or not those Persons include the Persons referred to in Article 17(a) (1) or 17(a)(2), either for cash or for a consideration

other than cash, if the price of such shares is determined by the valuation report of a registered valuer, subject to the compliance with the applicable provisions of Chapter III of the Act and any other conditions as may be prescribed.

- (b) The notice referred to in Article 17(a)(1)(i) shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue.
- (c) Nothing contained herein shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company or to subscribe for shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a special resolution passed by the Company in a General Meeting.

- (d) Notwithstanding anything contained in Article 17(c), where any Debentures have been issued, or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such Debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

- (e) In determining the terms and conditions of conversion under Article 17(d) the Government shall have due regard to the financial position of the Company, the terms of issue of Debentures or loans, as the case may be, the rate of interest payable on such Debentures or loans and such other matters as it may consider necessary.
- (f) Where the Government has, by an order made under Article 17(d) directed that any Debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under Article 17(d) or where such appeal has been dismissed, the Memorandum of Association of the Company shall, where such order has the effect of increasing the authorized share capital of the Company, stand altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such Debentures or loans or part thereof has been converted into.
- (g) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules made thereunder.

## 18. **Lien**

- (a) The Company shall have a first and paramount lien-
  - (i) on every Share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that Share; and
  - (ii) on all Shares (not being fully paid shares) standing registered in the name of a single Person, for all monies presently payable by him or his estate to the Company.

Provided that the Board of Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Regulation.

- (b) The Company's lien, if any, on a Share shall extend to all Dividends payable and bonuses

declared from time to time in respect of such Shares.

- (c) The fully paid-up Shares shall be free from all lien on any account whatsoever and in the case of partly paid up Shares the Company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such Shares.
19. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:
- Provided that no sale shall be made-
- (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the Person entitled thereto by reason of his death or insolvency.
20. (a) To give effect to any such sale, the Board may authorize some Person to transfer the shares sold to the purchaser thereof.  
(b) The purchaser shall be registered as the holder of the shares comprised in any such transfer.  
(c) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
21. (a) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.  
(b) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the Person entitled to the shares at the date of the sale.
22. The provision of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including Debentures of the Company.
23. **Calls on shares**
- (a) The Board may, from time to time, make calls upon the Members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times; Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
  - (b) Each Member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
  - (c) A call may be revoked or postponed at the discretion of the Board.
24. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
25. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
26. (a) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.  
(b) The Board shall be at liberty to waive payment of any such interest wholly or in part.
27. (a) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.  
(b) In case of non-payment of such sum, all the relevant provisions of these Regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue

of a call duly made and notified.

28. (a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, twelve percent per annum, as may be agreed upon between the Board and the Member paying the sum in advance.

29. The provision of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including Debentures of the Company.

30. **Joint Holders**

Where two or more Persons are registered as the joint holders (not more than three) of any share they shall be deemed (so far as the Company is concerned) to hold the same as joint-holders with benefits of survivorship subject to the following and other provisions contained in these Articles:

- (a) the joint holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
- (b) on the death of any such joint-holder the survivor or survivors shall be the only Person or Persons recognized by the Company as having any title to the share but the Directors may require such evidence of the death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability in respect of the shares held by him jointly with any other person.
- (c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
- (d) only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any documents served on or sent to person shall be deemed service on all the joint-holders.
- (e) If more than one of such joint-holders be present at any Meeting either personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said Persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joint holders thereof. For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
- (f) The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.

31. **Nomination of Shares and Debentures**

- a) Every holder of Shares of the Company may, at any time, nominate, in the manner prescribed under the Act and the Rules, any Person to whom his shares shall vest in the event of his death.
- b) Where the shares of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Act and the Rules prescribed thereunder, any Person to whom all the rights in the securities of the Company shall vest in the event of death of all the joint holders.
- c) Notwithstanding anything contained in any other provision of law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the shares of the Company, where a nomination made in the manner prescribed under the Act and the Rules prescribed thereunder, purports to confer on any Person the right to vest the shares of the Company, the nominee shall, on the death of the holder of the shares or, as the case may be, on the death of the joint holders become entitled to all the rights in the shares of the holder or, as the case may be, of all the joint holders, in relation to such shares of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Act and the Rules prescribed thereunder.

- d) Where the nominee is a minor, the holder of the shares, can make the nomination to appoint in prescribed manner under the Act and the Rules prescribed thereunder, any Person to become entitled to the securities of the Company in the event of his death, during the minority.
  - e) The provision of these Articles relating to nomination shall *mutatis mutandis* apply to the other securities including Debentures of the Company.
32. **General Restriction on Transfer**  
Except as provided in these Articles, no Member shall sell or otherwise transfer or dispose of any shares now owned or hereafter acquired by him in the manner provided herein and unless the conditions contained in these Articles are complied with.
33. **Transfer of shares**
- (a) There shall be no restrictions whatsoever on the transactions in relation to shares including transfer of shares between any Members or granting of rights or creating an encumbrance on shares by one Member in favour of another Member and subject to the provisions of Section 56 of the Act and the Rules framed thereunder, and of any statutory modification thereof for the time being and the applicable SEBI Regulations shall be duly complied with in respect of all transfers of Shares and the registration thereof. A common form of transfer shall be used in case of transfer of Shares, in accordance with the Act and Rules and the Securities Contracts (Regulation) Rules, 1957, which shall be duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate or certificates relating to the shares or if no certificate is in existence, along with the letter of allotment of the shares. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and shall contain the names of and addresses of both the transferor and the transferee and the transferor shall be deemed to remain the holder of such until the name of the transferee is entered in the register in respect thereof. Each signature of such transfer shall be duly attested by the signature of one creditable witness who shall add his address and occupation.
  - (b) The application for registration of a share or other interest of a Member in the Company may be made either by the transferor or the transferee, provided that, where such application is made by the transferor on registration shall in the case of partly paid up shares shall not be affected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 56 of the Act and the Rules framed thereunder, the Board of Directors, unless the objection is made by the transferee within two weeks from the receipt of the notice, enter in the Register of Members the name of the transferee in the manner and subject to the same conditions as if the application for registration was made by the transferee.
  - (c) Subject to the provisions of Section 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares of the Company.

The Board may in their absolute and uncontrolled discretion and without assigning any reason there of decline to register the transfer of a share not being fully paid share, to a person of whom they do not approve and any transfer of shares of which the Company has a lien.

34. **Shares held by minors**  
The Company shall have the right to refuse the transfer of shares to minors except in case of transmission.

35. **Transmission of Shares**

- (a) On the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees or Legal Representatives where he was a sole holder, shall be the only Persons recognized by the Company as having any title to his interest in the shares.
  - (b) Nothing in Article 35(a) above shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other Person(s).
36. (a) Any Person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
- (i) to be registered himself as holder of the share; or
  - (ii) to make such transfer of the Share as the deceased or insolvent Member could have made.
- (b) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency.
37. (a) If the person so becoming entitled shall elect to be registered as holder of the Share himself, he shall deliver or send to the Board of Directors a notice in writing signed by him stating that he so elects.
- (b) If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.
- (c) All the limitations, restrictions and provisions of these Regulations relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.
38. A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the Share, until the requirements of the notice have been complied with.

39. **Forfeiture of shares**

- If a Member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.
40. The notice aforesaid shall-
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
41. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any

such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

42. (a) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.  
(b) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
43. (a) A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.  
(b) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
44. (a) A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary, of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the Share;  
(b) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the Share in favour of the Person to whom the share is sold or disposed of;  
(c) The transferee shall thereupon be registered as the holder of the Share; and  
(d) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the Share.
45. The provisions of these Regulations as to forfeiture shall apply in the case of non- payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

46. **Alteration of Share Capital**

Subject to provisions of the Act, the Company in its General Meetings may, by an ordinary resolution-

- (a) increase its authorized capital by such amount as it thinks expedient;  
(b) consolidate and divide all or any of its Share Capital into shares of a larger amount than its existing shares. Provided that any consolidation and division which results in changes in the voting percentage of shareholders shall require applicable approvals under the Act;  
(c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;  
(d) sub-divide its shares, or any of them, into shares of smaller amount than fixed by the memorandum, so, however, that in the sub- division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived, subject to provisions of the Act, Rules and of these Articles;  
(e) cancel Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled.

The cancellation of shares shall not be deemed to be a reduction of Share Capital.

47. **Reduction of Share Capital**

The Company may (subject to the provisions of Sections 52, 55 and other applicable provisions, if any, of the Act or any other section as notified) from time to time by Special Resolution reduce:

- (a) the Share Capital; or  
(b) any capital redemption reserve account; or  
(c) any security premium account

in any manner for the time being, authorized by law and in particular Capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

48. **Capitalisation of Profits**

- (a) The Company in General Meeting may, upon the recommendation of the Board, resolve-
- (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - (ii) that such sum be accordingly set free for distribution in the manner specified in Article 48(b) below amongst the Members who would have been entitled thereto, if distributed by way of Dividend and in the same proportions.

49. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in this Article 48(b)(iv) below of this Regulation, either in or towards-

- (i) paying up any amounts for the time being unpaid on any shares held by such Members respectively;
- (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;
- (iii) partly in the way specified in Article 48(b)(i) and partly in that specified in Article 48 (b) (ii);
- (iv) A securities premium account and a capital redemption reserve account may, for the purposes of this Regulation, be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares;
- (v) The Board shall give effect to the resolution passed by the Company in pursuance of this Regulation.

50. (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall;

- (i) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
- (ii) generally do all acts and things required to give effect thereto.

(b) The Board shall have power;

- (i) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
- (ii) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(c) Any agreement made under such authority shall be effective and binding on such Members.

51. **Buyback of Shares**

Notwithstanding anything contained in these Articles but subject to the provisions of all applicable provisions of the Act or any other law for the time being in force the Company may purchase its own shares or other specified securities.

52. **Dematerialisation of Shares**

Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its Shares and Debentures pursuant to the Depositories Act, 1996 and to offer its Shares and Debentures for subscription in a dematerialized form. The Company shall cause to be kept a register and index of members / beneficial owners in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch register of beneficial owners / Register of Members, resident in that State or Country. The Register and Index of Beneficial Owners maintained by a depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of

Shareholders and Security holders for the purposes of these Articles.

53. **General Meeting**

All the General Meetings of the Company other than Annual General Meetings shall be called Extraordinary General Meetings.

The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. The Annual General Meeting shall be held within a period of six months, from the date of closing of the Financial Year; provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred on the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours that is, between 9 a.m. and 6 p.m. on any day that is not a National Holiday, and shall be held at the Registered Office of the Company or at some other place within the city in which the Registered Office of the Company situate, as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Financial Statements, Auditors' Report (if not already incorporated in the Financial Statements), the Proxy Register with proxies and the Register of Directors' shareholding which shall remain open and accessible during the continuance of the Meeting.

54. **Extraordinary General Meeting by Board and by requisition**

(a) The Directors may, whenever they think fit, convene an Extraordinary General Meeting and they shall on requisition of Member or Members holding in the aggregate not less than one-tenth of such of the paid up capital of the Company as at the date of deposit of the requisition and in compliance with Section 100 of the Act, forthwith proceed to convene Extraordinary General Meeting.

**When a director or any two Members may call an Extraordinary General Meeting**

(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members holding not less than one-tenth of the total paid up share capital of the Company may call for an Extraordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.

55. **Requisition of Members to state object of Meeting**

Any valid requisition made by Members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Registered Office; provided that such requisition may consist of several documents in like form, each signed by one or more requisitionists.

56. **On receipt of requisition, Directors to call Meetings and in default requisitionists may do.**

Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the Registered Office, to cause a meeting to be called for a day not later than forty-five days from the date of deposit of the requisition, meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.

57. **Notice of meeting**

At least 21 (twenty-one) days' clear notice (either in writing or electronic mode) of every General Meeting, Annual or Extraordinary, specifying the place, date, day, hour, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such Persons, as given under the Act, entitled to receive notice from the Company. A General Meeting may be called after

- giving shorter notice if consent is given in writing or by electronic mode by not less than 95% (ninety five percent) of the Members entitled to vote at such meeting. In the case of an Annual General Meeting, if any business other than (i) the consideration of Financial Statements and the reports of the Board of Directors and Auditors, (ii) the declaration of Dividend, (iii) the appointment of Directors in place of those retiring and (iv) the appointment of, and fixing of the remuneration of the Auditors is to be transacted, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature or concern (financial or otherwise) and extent of the interest, if any, therein of every Director, Key Managerial Personnel and their Relatives (if any). Where any item of business consists of the approval of any document the time and place where the document can be inspected shall be specified in the statement aforesaid.
58. **Omission to give notice not to invalidate a resolution passed.**  
The accidental omission to give any such notice as aforesaid to any Member, or other person to whom it should be given or the non- receipt thereof, shall not invalidate any resolution passed at any such Meeting.
59. **Meeting not to transact business not mentioned in notice.**  
No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.
60. **Quorum**  
The quorum for a General Meeting shall be as provided in the Act. A Body Corporate being a Member shall be deemed to be personally present if represented in accordance with Section 113 of the Act.
61. **If quorum not present, Meeting to be dissolved and adjourned**  
If, at the expiration of half an hour from the time appointed for the meeting a quorum of Members is not present, the meeting, if convened by or upon the requisition of Members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week or if that day is a National Holiday until the next succeeding day which is not a National Holiday, at the same time and place or to such other day and at such other time and place as the Board may determine; and if at such adjourned meeting a quorum of Members is not present at the expiration of half an hour from the time appointed for the meeting, the said meeting shall stand adjourned *sine die* without transacting any business for which the meeting was called.
62. **Chairperson of General Meeting**  
The Chairperson of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairperson present within fifteen minutes of the time appointed for holding such Meeting, the Directors or Members present may elect one of the Directors so approved and present to preside at the meeting.
63. **Chairperson with consent may adjourn meeting**  
(a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting adjourn the meeting from time to time and from place to place.  
(b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.  
(c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.  
(d) Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
64. **Chairperson's casting vote.**  
In the case of an equality of votes the Chairperson shall on a poll (if any) have casting vote in addition to the vote or votes to which he may be entitled as a Member.
65. **No casting vote to a person other than the Chairperson**  
If at any General Meeting of the Company, if the Chairperson is not present within fifteen minutes after the time appointed for holding the same, the Members present shall elect one of the Directors or Members present to preside at the meeting and such chairperson shall not have any casting vote.

66. **Poll to be taken, if demanded.**  
If a poll is demanded as aforesaid the same shall, be taken in such manner as prescribed under the Act.
67. **Demand for poll not to prevent transaction of other business.**  
The demand for a poll except on the question of the election of the Chairperson and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
68. **Members in arrears not to vote.**  
No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or be reckoned in a quorum in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.
69. **Number of votes each Member entitled.**  
Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the Company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every Member present in person shall have one vote and upon a poll the Voting Right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share Capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.
70. **How Members non-compos mentis and minor may vote.**  
A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian: and any such committee or guardian may, on a poll, vote by proxy; if any Member be minor, the vote in respect of his share shall be by his guardian, or any one of his guardians if more than one, to be selected in case of dispute by the Chairperson of the Meeting.
71. **Casting of votes by a Member entitled to more than one vote.**  
On a poll taken at a meeting of the Company, a Member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
72. **Votes of joint Members**  
(a) If there be joint registered holders of any share any one of such Persons may vote at any Meeting either personally or by proxy in respect of such shares, as if he were solely entitled thereto.  
(b) If more than one of such joint-holders be present at any Meeting either personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said Persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.  
(c) For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
73. **Votes may be given by proxy or by representative**  
Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly authorized as mentioned in Articles. At any General Meeting, a resolution put to vote of the meeting shall, unless a poll is demanded under Section 109, be decided on a show of hands.
74. **Representation of a Body Corporate.**  
A Body Corporate (whether a company within the meaning of the Act or not) may, if it is Member or creditor of the Company (including being a holder of debentures or any other Securities) authorize such

person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the Members or creditors of the Company or Debenture holders of the Company. A person authorized by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the Body Corporate as if it were an individual Member, creditor or holder of Debentures of the Company.

75. **Members paying money in advance**

A Member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any Voting Rights in respect of the moneys paid until the same would, but for this payment, become presently payable.

76. **Members not prohibited if share not held for any specified period**

A Member is not prohibited from exercising his Voting Rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.

77. **Votes in respect of shares of deceased or insolvent Members**

Subject to the provisions of the Act and other provisions of these Articles, any person entitled under Article 33 (Transfer of Shares) of these Articles of Association, to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

78. **No votes by proxy on show of hands**

No Member shall be entitled to vote on a show of hands through Proxy unless such Member is present personally or by attorney or is a Body Corporate present by a representative duly Authorized under the provisions of the Act in which case such Members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.

79. **Appointment of a Proxy**

The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

80. **Deposit of instrument of appointment**

The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarial certified copy of that power of attorney, shall be deposited at the office not less than forty-eight hours before the time for holding the Meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

81. **Form of proxy**

An instrument appointing a proxy shall be in the form as prescribed in the Rules made under Section 105.

82. **Validity of votes given by proxy notwithstanding death of a Member**

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no

intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.

83. **Proxy either for specified meeting or for a period**

An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and every adjournment thereof or every meeting of the Company or every meeting to be held before a date not being later than twelve months from the date of the instrument specified in the instrument and every adjournment of every such meeting.

84. **Time for objections to votes**

No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever.

85. **Chairperson of the Meeting to be the judge of validity of any vote**

The Chairperson of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairperson present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

86. **Minutes of General Meeting and Board and Other Meeting**

- (a) Except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the Secretarial Standards on General Meetings and Meetings of Board of Directors as issued by the Institute of Company Secretaries of India (a statutory body under the Act of Parliament), the Company shall cause minutes of the proceedings of every general meeting of any class of shareholders or creditors, and every resolution passed by postal ballot and every meeting of its Board of Directors or of every committee of the Board, to be prepared and signed in such manner as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned in books kept for that purpose with their pages consecutively numbered.
- (b) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (c) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting or each report in such books shall be dated and signed by the Chairperson of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that chairperson within that period, by a director duly authorised by the Board for the purpose. In case of every resolution passed by postal ballot, by the Chairperson of the Board within the aforesaid period of thirty days or in the event of there being no chairperson of the Board or the death or inability of that chairperson within that period, by a director duly authorized by the Board for the purpose.
- (d) In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by pasting or otherwise.
- (e) All appointments made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (f) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairperson of the meeting:
  - (i) is or could reasonably be regarded as, defamatory of any person, or
  - (ii) is irrelevant or immaterial to the proceedings, or
  - (iii) is detrimental to the interests of the Company.The Chairperson of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- (g) Any such minutes shall be evidence of the proceedings recorded therein.
- (h) The book containing the minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours, for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any Member without charge.

ii. **Board of Directors**

87. Until otherwise determined by a General Meeting of the Company and subject to the provisions of

Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than 3 (three) and not more than 15(fifteen). Provided that a Company may appoint more than 15 (fifteen) directors after passing a special resolution.

88. **Managing Director / Whole-time Director / Manager**

Subject to provisions of the Act and the Rules framed thereunder the Board may from time to time, appoint Managing Director / Whole-time Director / Manager for one or more of the divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit.

89. **Additional Director**

- (a) Subject to provisions of the Act and the Rules framed thereunder, the Board shall have power at any time, to appoint Additional Director, provided that the number of the directors and Additional Director together shall not at any time exceed the maximum strength fixed for the Board by Articles.
- (b) Such person shall hold office only up to the date of next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to provisions of the Act, the Rules framed thereunder.

90. **Alternate Director**

- (a) The Board, subject to a resolution passed by the Company in general meeting may appoint a person not being a person holding any alternate Directorship for any other Director in the Company appoint an alternate director to act for a director (hereinafter called as “Original Director”) during his absences for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.
- (b) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
- (c) If the term of office of Original Director is determined before he returns to India the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not to the alternate director.

91. **When office of Directors to be vacated.**

Subject to Section 167 of the Act, the office of a Director shall be vacated if:

- (a) he incurs any of the disqualifications specified in Section 164 of the Act;
- (b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- (c) he acts in contravention of the provisions of Section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- (d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184;
- (e) he becomes disqualified by an order of a Court or the Tribunal;
- (f) he is convicted by a Court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:  
Provided that the office shall be vacated by the Director even if he has filed an appeal against the order of such Court;
- (g) he is removed in pursuance of the provisions of the Act;
- (h) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.

92. **Removal of Director**

The Company may by an ordinary resolution remove any Director (not being a Director appointed by the Tribunal in pursuance of Section 242 of the Act) in accordance with the provisions of Section 169 of the Act. A Director so removed shall not be re-appointed as a Director by the Board of Directors.

93. **Resignation of Director**  
Subject to the provisions of Section 168 of the Act a Director may at any time resign from his office upon giving notice in writing to the Company of his intention so to do, and thereupon his office shall be vacated.
94. **Directors' power to fill casual vacancies**  
(a) If the office of any Director appointed by the Company in its General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled the Board of Directors at its Board Meeting.  
(b) The Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.
95. **Sitting fees & remuneration**  
(a) Until otherwise determined by the Board, each Director other than the Managing/Whole-time Director (shall be entitled to sitting fees not exceeding a sum prescribed in the Act and the Rules framed thereunder for attending meetings of the Board or Committees thereof.  
(b) If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration otherwise provided.
- iii. **PROCEEDING OF THE BOARD OF DIRECTORS**
96. **Meetings of Directors.**  
(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.  
(b) A Director may, and the Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
97. **Meeting through Video Conferencing**  
The Board of Directors shall be entitled to hold its meeting through video conferencing or other permitted means, and in conducting the Board meetings through such video conferencing or other permitted means the procedures and the precautions as laid down in the relevant Rules shall be adhered to. With regard to every meeting conducted through video conferencing or other permitted means, the scheduled venue of the meetings shall be deemed to be in India, for the purpose of specifying the place of the said meeting and for all recordings of the proceedings at the meeting.
98. **Notice of Meetings**  
Subject to provisions of Section 173(3) of the Act, notice of not less than 7 (seven) days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the Company and shall be sent by hand delivery or by post or through electronic means. The meeting of the Board may be called at a shorter notice to transact urgent business.
99. **Quorum for Meetings**  
(a) The quorum for a meeting of the Board shall be 1/3rd (one-third) of its total strength (any fraction contained in that one third being rounded off as one), or two Directors whichever is higher and the Directors participating by video conferencing or by other permitted means shall also counted for the purposes of quorum as provided in this Article.  
(b) Provided that interested Director may participate in the board meeting, after disclosing his interest.  
(c) Provided further that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than two, shall be the quorum during such time.

100. **Chairperson of the Board**  
(a) The members of the Board shall elect any one of them as the Chairperson of the Board. The Chairperson shall preside at all meetings of the Board and the General Meeting of the Company. The Chairperson shall have a casting vote in the event of a tie.  
(b) If at any meeting of the Board, if the Chairperson is not present within fifteen minutes after the time appointed for holding the same, the Directors present may elect one of the Directors so approved and present to preside at the meeting such chairperson shall not have any casting vote.
101. **Questions at Board meeting how decided.**  
Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairperson will have a second or casting vote.
102. **Continuing directors may act notwithstanding any vacancy in the Board**  
The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.
103. **Directors may appoint committee.**  
Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such Committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
104. **Committees of the Board to conform to Board regulations**  
The Meetings and proceedings of any such Committee of the Board, any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
105. **Chairperson of Committee Meetings**  
If the Chairperson of the Company or the chairperson of the committee is not present within fifteen minutes of the time appointed for holding such Meeting, the Directors or Members present may elect one of the Directors so approved and present to preside at the meeting.
106. **Meetings of the Committee**  
The Committee may meet and adjourn as it thinks fit. Questions arising at any meeting of the Committee shall be determined by a majority of votes of the members present and in case of an equality of votes, the Chairperson shall have a second or casting vote.
107. **Acts of Board or Committee shall be valid notwithstanding defect in appointment**  
Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.
108. **Resolution by Circulation**  
A resolution not being a resolution required by the said Act or otherwise to be passed at a meeting of the Directors, may be passed without any meeting of the Directors or of a committee of Directors provided that the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee as the case may be, at their addresses registered with the Company in India, by hand delivery or by post or courier or through electronic means as permissible under the relevant Rules and has been approved by a majority of the Directors as are entitled to vote on the resolution.

109. **Service of Documents and Notice MEMBERS TO NOTIFY ADDRESS IN INDIA**  
Each registered holder of shares from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.
110. **Service on Members**  
If a Member has no registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears. The service of any notice to Member may be made by the Company through any permitted mode.
111. **Service on persons acquiring shares on death or insolvency of members**  
A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.
112. **Notice by advertisement**  
Subject to the provisions of the Act any document required to be served or sent by the Company to the Members, and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the Office is situated.
113. **Members bound by document given to previous holders**  
Every person, who by the operation of law, transfer or other means whatsoever, shall become entitled to any shares, shall be bound by every document in respect of such share which, previously to his name and address being entered in the Register of Members, shall have been duly served on or sent to the person from whom he derived his title to such share.
- Any notice to be given by the Company shall be signed by the managing Director or by such Director or Secretary (if any) or Officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.
- iv. Accounts**
114. (a) The Directors shall keep or cause to be kept at the Registered Office of the Company or at such place in India as the Board thinks fit proper Books of Accounts in respect of:  
(b) all sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure take place;  
(c) all sales and purchase of goods by the Company; and  
(d) the assets and liabilities of the Company.  
(e) The items of cost, if any as specified in the relevant Rules;  
(f) Proper Books of Accounts shall also be kept at each branch office of the Company, whether in or outside India, relating to the transactions of that office and proper summarised returns made up to dates at intervals of not more than three months shall be sent by each branch office to the Company at its Registered Office of the Company or the other place referred to in Article 108(a) hereof;  
(g) The Directors shall comply in all respects with Sections 128, 129, 133, 134, 136, to 138 of the said Act and any statutory modifications thereof.
115. **Inspection to Members when allowed**  
The Directors shall, from time to time, determine whether and to what extent, and at what times and places, and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection to the Members not being Directors; and no Member (not being a Director) shall have any right of inspection of any account or book or document of the Company except as

- conferred by law or authorised by the Directors.
116. **Financial Statements to be laid before the Member**  
Subject to Section 129 of the Act at every Annual General Meeting of the Company the Directors shall lay before the Company a Financial Statements for each Financial Year.
117. **Contents of Financial Statements**  
The Financial Statements shall give a true and fair view of the state of affairs of the Company at the end of the period of the account.
118. **Financial Statements how to be signed**  
The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act.
119. The Directors shall make and attach to every balance sheet laid before the Company in General Meeting a Report of the Board of Directors which shall comply with the requirements of and shall be signed in the manner provided by Section 134 of the said Act.
120. **Right of Members to copies of Financial Statements and Auditors' Report**
- (a) A copy of every Financial Statements (including consolidated Financial Statements, the Auditors' Report and every other document required by law to be annexed or attached, as the case may be, to the Financial Statement) which is to be laid before the Company in General Meeting shall not less than twenty one days before the date of meeting be sent to every Member, every trustee for the debenture holder of any debentures issued by the Company, to the Auditors of the Company, and every Director of the Company.
- If the copies of the documents aforesaid are sent less than twenty- one days before the date of the meeting they shall, notwithstanding that fact, be deemed to have been duly sent if it is so agreed by ninetyfive percent of the Members entitled to vote at the meeting.
- The accidental omission to send the documents aforesaid, to or the non-receipt of the documents aforesaid by, any Member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
- (b) Any Member or holder of debentures of the Company whether he is or is not entitled to have copies of the Company's Financial Statements sent to him, shall on demand, be entitled to be furnished without charge, and any person from whom the Company has accepted a sum of money by way of deposit shall on demand accompanied by the payment of a fee of fifty rupees, be entitled to be furnished with a copy of the last Financial Statements and every other documents required by law to be annexed or attached thereto.
121. **Copy of Financial Statements etc. be filed**
- (a) A copy of the Financial Statement, including consolidated Financial Statement, if any, along with all the documents which are required to be or attached to such Financial Statements under this Act, duly adopted at the Annual General Meeting of the Company, shall be filed with the Registrar within thirty day's of the Annual General Meeting.
- (b) If the Annual General Meeting before which a Financial Statement is laid as aforesaid does not adopt the Financial Statements, the un-adopted Financial Statements together with the other documents that are required to be attached to the Financial Statements shall be filed with the Registrar within thirty days of the Annual General Meeting. Thereafter, the Financial Statements adopted at the adjourned Annual General Meeting shall be filed with the Registrar within thirty days of such adjourned Annual General Meeting.
122. **When accounts to be deemed finally settled**  
Every account when audited and approved by a General Meeting shall be conclusive.

**v. Powers of Board**

123. Subject to the provisions of the Act and to the provisions of these Articles, the Board of Directors of the Company shall be entitled to exercise all such powers, and generally do all such acts and things as are or shall be by the said Act, and the Memorandum of Association and these presents directed or authorized to be exercised, given, made or done by the Company and are not thereby or hereby expressly directed or required to be exercised, given, made or done by the Company in General Meeting but subject to such regulations (if any) being not inconsistent with the said provisions as from time to time may be prescribed by the Company in General Meeting provided that no regulation so made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if the regulation had not been made.

**vi. Borrowing Powers**

124. (a) Subject to the provisions of Sections 73, 179 and 180 of the Act and the other applicable provisions of these Articles, any funds required by the Company for its working capital and other capital funding requirements shall be made in the form of demand loans, and / or guarantees to be provided by the Company, as decided by the Board of Directors.
- (b) Subject to Sections 73, 179 and 180 of the Act, the Board may from time to time at their discretion raise and borrow and may themselves lend and secure the payment of any sum or sums of money for the purpose of the Company.
- (c) The Board may raise or secure the repayment of such sum or sums in the manner and upon such terms and conditions in all respects as they deem fit and particularly by creation of any mortgage or charge on the undertaking of the whole or any part of the property, or future, or uncalled Capital of the Company or by the issue of bonds, redeemable debentures or debentures or debenture-stock of the Company charged upon all or any part of the property of the Company both present and future including its uncalled Capital for the time being.
- (d) Debentures, debenture-stock, bond or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.
- (e) Any Debentures, debenture-stock, bond or other securities may be issued at discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings and allotment of shares.

**vii. The Seal**

125. (a) The Board shall provide for the safe custody of the seal.
- (b) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of a Director and the secretary or such other person as the Board may appoint for the purpose; and such Director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. In absence of the Director of the Company, the seal of the Company shall be affixed by at least two authorised officers of the Company authorized in that behalf and such authorised officers shall sign every instrument to which the seal of the Company is so affixed in their presence.

**viii. Dividend and Reserve**

126. (a) The Company in General Meeting may declare Dividends, but no Dividend shall exceed the amount recommended by the Board but the Company in General Meeting may declare a lesser Dividend.
- (b) Subject to the provisions of the Section 123, the Board may from time to time pay to the Members such interim Dividends as appear to it to be justified by the profits of the Company.
- (c) The Board may, before recommending any Dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing Dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from

- time to time, think fit.
- (d) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
  - (e) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividends, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the Dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, Dividends may be declared and paid according to the amounts of the shares.
  - (f) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Regulation as paid on the share, including to confer a right to dividend or to participate in profits.
  - (g) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid; but if any share is issued on terms providing that it shall rank for Dividend as from a particular date such share shall rank for Dividend accordingly.
  - (h) The Board may deduct from any Dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
  - (i) Any Dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct.
  - (j) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
  - (k) Any one of two or more joint holders of a share may give effective receipts for any Dividends, bonuses or other monies payable in respect of such share.
  - (l) Notice of any Dividend that may have been declared shall be given to the Persons entitled to share therein in the manner mentioned in the Act.
  - (m) No Dividend shall bear interest against the Company.

## **ix. Dividend Distribution Policy**

### **127. Preamble**

This Dividend Distribution Policy is made pursuant to the applicable provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as the ‘**Listing Regulations**’). The Board of Directors of Aakaar Medical Technologies Limited (the “**Company**”), herein after referred as “the Board”, has approved the Dividend Distribution Policy of the Company (“**the Policy**”) and shall disclose the same on a voluntary basis in the annual reports and on the website of the Company. This Policy sets out the general parameters adopted by the Company for declaration of dividend for guidance purposes.

### **Objective**

The Company aimed at maximization of shareholders’ value and believes that this can be attained by driving growth. The Policy endeavors to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient profits are retained for growth of the Company and other needs. The objective of the Policy is to lay down a consistent approach to dividend declaration.

### **Effective Date**

Dividend Distribution Policy shall be effective from the date of its approval by the Board of Directors.

### **Policy Framework**

The Policy has been formulated in line with the provisions of the Companies Act, 2013, Regulations issued by SEBI and other guidelines, to the extent applicable on the Company. Any subsequent amendments in these provisions would, ipso-facto, apply to this Policy. The Policy is not an alternative to the decision taken by the Board regarding declaration/recommendation of dividend after considering the various relevant factors.

## **Dividend**

Dividend is the amount paid by the Company out of profits, to its Shareholders in proportion to the amount paid up on the shares held by the shareholders. As per the provisions of the Companies Act, 2013, the dividend can be paid as interim or final.

### **Interim Dividend**

- (a) The Board of Directors of the Company shall declare the interim dividend during the financial year, as and when they consider it fit to so declare.
- (b) The interim dividend can be declared by the Board of Directors one or more times in a financial year and normally, the Board may consider the declaration of interim dividend after the finalization of the quarterly/half yearly financial statements of the Company.
- (c) The interim dividend, if declared, shall be paid to the eligible shareholders, as per provisions of the Companies Act, 2013, SEBI Regulations and other laws, to the extent applicable. First interim dividend, if any, may be declared in the Board Meeting convened for approving financial statements for the 2<sup>nd</sup> quarter/half –year, and 2<sup>nd</sup> interim dividend, if any, may be declared at the time of approving financial statements for the 3<sup>rd</sup> quarter of the financial year.
- (d) In case no final dividend is declared by the Company, interim dividend paid during the financial year, if any, shall be considered as final dividend at the Annual General Meeting of the Company.

### **Final Dividend**

- (a) The final dividend, if any, is paid once in a financial year after the preparation of the annual financial statements.
- (b) The Board of Directors shall recommend the final dividend to the Shareholders for their approval in the Annual General Meeting of the Company. The declaration of final dividend, if any, shall be included in the ordinary business items to be transacted at the Annual General Meeting of the Company.
- (c) The final dividend shall be paid to the eligible shareholder's subject as per provisions of the Companies Act, 2013, SEBI Regulations and other laws, to the extent applicable.

### **Circumstances under which the Shareholders of the Company may or may not expect dividend**

The decision regarding dividend payout is a vital decision, as it determines the amount of the profit to be distributed among its shareholders and the amount of the profit to be retained in business for the future growth and modernization expansion plan of the Company. The Company would continue to adopt a progressive and dynamic dividend distribution policy to ensure its immediate and long term requirements along with rewarding the Shareholders of the Company. Dividend for the financial year shall be decided/recommended by the Board, considering, statutory, economic, market, industry, external and internal factors.

The Company may not declare dividend or declare dividend at a lower rate under the following circumstances:

- (a) in the event of the Company making losses or the profits are inadequate;
- (b) where the Company is having requirement of funds for Capex requiring high capital allocation, working capital, repayment of loans taken in the past;
- (c) inadequate availability of cash; and
- (d) higher cost of raising funds from alternate sources.

It may be noted that declaration of dividend shall be subject to the provisions of Companies Act, 2013, SEBI Regulations.

### **Parameters for Dividend Distribution**

The Company has only one class of shares i.e. Equity shares and, hence, the parameters disclosed here under apply to the same.

The Board while considering payment of dividend for a financial year may, inter alia, consider the following factors:

- (a) All carried over previous year's losses and depreciation not provided in previous year or years are set off against profit of the Company of the Current year;
- (b) Current year's depreciation charge has been duly provided for and there is balance in the Profit and Loss account after providing for past accumulated losses and current year depreciation and depreciation of previous periods;
- (c) Amounts transferred to reserves as may be stipulated;
- (d) Compliance with FEMA Regulations and Rules prescribed from time to time by Reserve Bank of India for payment of dividend to Non Residents;
- (e) Unpaid dividend, if any, shall be transferred to Investor Education and Protection Fund as per the provisions of the Companies Act, 2013;
- (f) Profit for the financial year as well as general reserves of the Company.
- (g) Projections of future profits and cash flows;
- (h) Borrowing levels and the capacity to borrow including repayment commitments;
- (i) Present and future Capital expenditure plans of the Company including organic/inorganic growth avenues;
- (j) Applicable taxes including tax on dividend;
- (k) Compliance with the provisions of the Companies Act or any other statutory guidelines including guidelines issued by Government of India;
- (l) Past dividend trend for the Company and the industry;
- (m) State of economy and capital markets; and
- (n) Any other applicable laws and regulations in this respect.
- (o) Any other factor as may be deemed fit by the Board.

#### **Other important internal and external factors to be considered by the Board**

In addition to the aforesaid parameters such as realized profits and proposed major capital expenditures, the decision of dividend payout or retention of profits shall also be based on the following factors/parameters:

- (a) **Cash flow** – If the Company cannot generate adequate operating cash flow, it may need to rely on outside funding to meet its financial obligations and sometimes to run the day-to-day operations. The Board will consider the same before its decision whether to declare dividend or retain its profits.
- (b) **Cost of borrowings** – The Board will analyze the requirement of necessary funds considering the long term or short term projects proposed to be undertaken by the Company and the viability of the options in terms of cost of raising necessary funds from external sources such as bankers, lending institutions or by issuance of debt securities or plough back its own funds.
- (c) **Taxation and other regulatory concern** - Dividend distribution tax or any tax deduction at source as required by tax regulations in India, as may be applicable at the time of declaration of dividend and its impact on the finances of the Company.
- (d) **Macroeconomic conditions** - Considering the state of economy in the Country, the policy decisions that may be formulated by the Government and other similar conditions prevailing in the international market which may have a bearing on or affect the business of the Company, the management may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances.
- (e) **Past performance/ Dividend history and reputation of the Company** - The standing of the Company in the business space, its dividend payment history and the impact of the decision on overall reputation of the Company.
- (f) Any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company at the time of declaration of dividend.

#### **Dividend Payout Ratio**

Dividend for every financial year shall be decided and recommended by Board considering various statutory requirements, financial performance of the company and other internal and external factors enumerated earlier in the policy. The Board of directors shall endeavor to maintain the Dividend Payout Ratio\* (Dividend/ Net Profit after Tax for the year) as near as possible to 50% or more of the Company's consolidated profit after tax or more, subject to the following:

- (a) Company's need for Capital for its growth plan.

- (b) Positive Cash Flow.

(\* to be reviewed every 2 to 3 years, if need be)

### **General**

In the event of the Policy being inconsistent with any new regulatory provision, such regulatory provision shall prevail upon the corresponding provision of this policy and the policy shall be construed to be amended accordingly from the effective date of such provision.

The Company reserves its right to alter, modify, add, delete or amend any or all of the provisions of the Policy as it may deem fit or in accordance with the guidelines and regulations as may be issued by Securities and Exchange Board of India, Government of India or any other regulatory authority. The change in the policy shall, however, be disclosed along with the justification thereof on the Company's website and in the ensuing annual report of the Company in accordance with the extant regulatory provisions.

## **x. Winding up**

128. Subject to the provisions of Chapter XX of the Act and rules made thereunder

- (a) If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon a property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

## **xi. Indemnity**

129. Every Officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the Court or the Tribunal.

130. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and Key Managerial Personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

## **xii. Secrecy**

131. (a) No shareholder shall be entitled to visit or inspect any works of the Company without the permission of the Board of Directors of the Company or any other person authorised on that behalf by the Board of Directors of the Company, to require discovery of any details in relation to the Company's business which is or may be in the nature of a trade secret, confidential information or any other matter which may relate to the conduct of the business of the Company which in the opinion of the Board of Directors of the Company would be inexpedient in the interest of the Company to disclose.
- (b) Every Director, Manager, Auditor, trustee, member of a committee, Officer, servant and accountant or other persons employed in the business of the Company shall before entering upon his duty sign a declaration, pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of accounts with the individual and in matter relating thereto and shall by such declaration pledge himself not to release any of the matters may come to his knowledge in the course of his duties except when required so to do by the Directors or by any meeting or a court of law or by the persons to whom such matters

relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained or by the Act or any other law.

132. **General Powers**

Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

## SECTION IX - OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to RoC for filing and are also available at the following weblink [www.aakaarmedical.in](http://www.aakaarmedical.in). Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10.00 a.m. and 5.00 p.m. on all Working Days from the date of the Red Herring Prospectus until the Issue Closing Date(except for such agreements executed after the Issue Closing Date).

#### *Material Contracts to the Issue*

1. Issue Agreement dated February 25, 2025 entered into between our Company and the Book Running Lead Manager.
2. Registrar agreement dated January 30, 2025 entered into between our Company, and the Registrar to the Issue.
3. Tripartite Agreement dated January 21, 2025 between CDSL, our Company and the Registrar to the Issue.
4. Tripartite Agreement dated January 07, 2025 between NSDL, our Company and the Registrar to the Issue.
5. Syndicate Agreement dated [●] between our Company, the Book Running Lead Manager, the Syndicate Members and Registrar to the Issue.
6. Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
7. Underwriting Agreement dated of February 25, 2025 between our Company, the Book Running Lead Manager and the Underwriters.

#### *Material Documents*

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of incorporation dated June 14, 2013 issued to our Company by the Registrar of Companies, Maharashtra at Mumbai in the name of '*Aakaar Medical Technologies Private Limited*'.
3. Fresh certificate of incorporation dated November 18, 2024, issued to our Company by the Registrar of Companies, Central Processing Centre, pursuant to conversion from private limited company into public limited company and consequential change in name from '*Aakar Medical Technolgies Private Limited*' to '*Aakar Medical Technologies Limited*'.
4. Resolution of the Board of Directors dated January 06, 2025 authorising the Issue and other related matters.
5. Shareholders' Resolution passed at the Extra-ordinary General Meeting of our Company held on January 07, 2025 authorising the Issue and other related matters.
6. Resolution of the Board dated February 28 approving this Draft Red Herring Prospectus for filing with the Stock Exchange.
7. Copies of annual reports of our Company for the last three Financial Year, i.e., 2024, 2023 and 2022.
8. The examination report dated February 25, 2025, of our Statutory Auditors being M/s. C B Mehta & Associates, Chartered Accountants on the Restated Financial Statements.
9. Report on Statement of Possible Special Tax Benefits dated February 25, 2025 issued by the Statutory Auditors, namely M/s. C B Mehta & Associates, Chartered Accountants included in this Draft Red Herring Prospectus.
10. Certificate on Key Performance Indicators (KPIs) dated February 25, 2025, from Statutory Auditor.
11. Consents of our Promoters, Directors, Chief Financial Officer, Company Secretary and Compliance Officer, Senior Managerial Personnel, BRLMs, Legal Counsel to the Issue, Registrar to the Issue, Bankers to the Issue, Bankers to our Company, Market Maker to the Issue, Underwriters and Syndicate Members as referred to in their specific capacities.
12. Consent dated February 25, 2025 from M/s C B Mehta & Associates, Chartered Accountants to include

- their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations and referred to as an “expert” as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the Statutory Auditor, and for inclusion of their examination report dated February 25, 2025 on examination of our Restated Financial Statements and the statement of possible special tax benefits dated February 25, 2025 in the form and context in which it appears in this Draft Red Herring Prospectus.
13. Consent letter dated February 12, 2025 from Ken Research to use their report titled " Industry Report on India Medical Aesthetics and Cosmetic Dermatology Market".
  14. Industry report entitled " Industry Report on India Medical Aesthetics and Cosmetic Dermatology Market" dated July 2024 issued by Ken Research.
  15. Due diligence Certificate dated February 28, 2025 issued by the BRLM.
  16. In-principle listing approval dated [●] from NSE.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**DILIP RAMESH MESWANI**  
**MANAGING DIRECTOR**  
**DIN: 06540985**

**Place:** Mumbai

**Date:** February 28, 2025

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Rahul Babasaheb Sawakhande**  
**Ceo and Executive Director**  
**DIN: 08282783**

**Place:** Mumbai  
**Date:** February 28, 2025

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Bindi Dilip Meswani**  
**Chairperson and Non-Executive Director**  
**DIN: 06594958**

**Place:** Mumbai  
**Date:** February 28, 2025

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Deepanjan Periwal**  
**Independent Director**  
**DIN: 06957006**

**Place:** Mumbai  
**Date:** February 28, 2025

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Rajendra Indubhai Dhandhukia**  
**Independent Director**  
**DIN: 05157147**

**Place:** Mumbai  
**Date:** February 28, 2025

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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**SWETA CHIRAG SHAH**  
**CHIEF FINANCIAL OFFICER**

**Place:** Mumbai

**Date:** February 28, 2025