



## NURECA LIMITED

Nureca Limited ("Company" or "Issuer") was incorporated as 'Nureca Private Limited', as a private limited company, under the Companies Act, 2013 on November 2, 2016 and a certificate of incorporation was issued by Registrar of Companies, Central Registration Centre, at Delhi. The registered office of our Company was changed from Delhi to Mumbai, Maharashtra, pursuant to certificate of registration of regional director order dated January 8, 2019, for change of state issued by the Registrar of Companies, Maharashtra at Mumbai ("RoC") with effect from February 8, 2019. Pursuant to conversion into a public limited company pursuant to a special resolution passed in the extra ordinary general meeting of the shareholders of our Company held on June 19, 2020, the name of our Company was changed to our present name 'Nureca Limited' and a fresh certificate of incorporation was issued by the RoC on July 8, 2020. For details of change in the name and registered office of our Company, see "History and Certain Corporate Matters" on page 120.

**Registered Office:** 128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon (East), Mumbai - 400063, Maharashtra, India

**Tele:** +91-22-49616173, **Website:** www.nureca.com

**Corporate Office:** SCO 6-7-8, 1st Floor, Sector 9 D, Chandigarh, India, **Tele:** +91-172-5292900

**Contact Person:** Gurvikram Singh, Company Secretary and Compliance Officer, **E-mail:** cs@nureca.com

**Corporate Identity Number:** U24304MH2016PLC320868

### OUR PROMOTER: SAURABH GOYAL

**INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH ("EQUITY SHARES") OF NURECA LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●]\* PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING UP TO ₹ 1,000.00 MILLION ("ISSUE"). THE ISSUE INCLUDES A RESERVATION OF [●]\* EQUITY SHARES AGGREGATING TO ₹10.00 MILLION\* (CONSTITUTING UP TO 5% OF THE POST-ISSUE PAID UP EQUITY SHARE CAPITAL) FOR PURCHASE BY ELIGIBLE EMPLOYEES ("THE EMPLOYEE RESERVATION PORTION"). THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE CONSTITUTES [●]% AND [●]%, RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**\*A DISCOUNT OF ₹[●] PER EQUITY SHARE MAY BE OFFERED TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION.**

**THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DETERMINED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM"), AND WILL BE ADVERTISED IN ALL EDITIONS OF ENGLISH NATIONAL NEWSPAPER FINANCIAL EXPRESS, ALL EDITIONS OF HINDI NATIONAL NEWSPAPER JANSATTA, AND MUMBAI EDITIONS OF MARATHI NEWSPAPER NAVSHAKTI (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 IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS") AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSES OF UPLOADING ON THEIR RESPECTIVE WEBSITES.**

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 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three additional 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, 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 BRLM and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks ("SCSBs"), other Designated Intermediaries and the Sponsor Bank, as applicable.

The Issue is being made through Book Building Process in terms of Rule 19(2)(b) of the Securities Contracts Regulation Rules, 1957, as amended ("SCRR"), read with Regulation 31 of the SEBI ICDR Regulations and is being made through Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein at least 75% of the Net Issue shall be allotted on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. 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 QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 75% of the Net Issue cannot be Allotted to QIBs, all the application monies will be refunded/unblocked forthwith. Further, not more than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% 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 from them at or above the Issue Price. Further, Equity Shares shall be offered for allocation and allotment on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them 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) if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 270.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of 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 Issue Price/Floor Price/Price Band 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 nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in 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 Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 25.

### COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this 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 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 Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated December 7, 2020 and December 24, 2020, respectively. For the purposes of this Issue, BSE shall be the Designated Stock Exchange. A signed copy of this Red Herring Prospectus has been and the Prospectus shall be delivered for registration to the Registrar of Companies in accordance with Section 26(4) and Section 32 of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus up to the Bid/Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 326.

### BOOK RUNNING LEAD MANAGER

### REGISTRAR TO THE ISSUE



#### ITI Capital Limited

Naman Midtown, 'A' Wing, 20<sup>th</sup> Floor, Senapati Bapat Marg, Elphinstone (West)  
Mumbai - 400 013, Maharashtra, India.

**Tel:** +91 22 4031 3371

**Email:** ipo.nureca@iticapital.in

**Investor Grievance:** investorgrievance@iticapital.in

**Website:** www.iticapital.in

**Contact Person:** Pallavi Shinde

**SEBI Registration:** INM000010924

#### Link Intime India Private Limited

C-101, 1st floor, 247 Park, L.B.S. Marg, Vikhroli (West)  
Mumbai 400 083, Maharashtra, India.

**Tel:** +91 22 4918 6200

**E-mail:** nureca.ipo@linkintime.co.in

**Investor Grievance:** nureca.ipo@linkintime.co.in

**Website:** www.linkintime.co.in

**Contact Person:** Shanti Gopal Krishnan

**SEBI Registration:** INR000004058

### BID/ISSUE PROGRAMME

| BID/ISSUE OPENS ON: | FEBRUARY 15, 2021 <sup>(1)</sup>                                                                                                                                                                                                                  | BID/ISSUE CLOSES ON: | FEBRUARY 17, 2021 <sup>(2)</sup> |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------------------|
| 1.                  | Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one (1) Working Day prior to the Bid / Issue Opening Date. |                      |                                  |
| 2.                  | Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs, one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulation.                                                  |                      |                                  |

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## CONTENTS

|                                                                                                |     |
|------------------------------------------------------------------------------------------------|-----|
| <b>SECTION I – GENERAL</b>                                                                     | 2   |
| DEFINITIONS AND ABBREVIATIONS                                                                  | 2   |
| CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION | 14  |
| FORWARD-LOOKING STATEMENTS                                                                     | 17  |
| SUMMARY OF THIS RED HERRING PROSPECTUS                                                         | 19  |
| <b>SECTION II - RISK FACTORS</b>                                                               | 25  |
| <b>SECTION III – INTRODUCTION</b>                                                              | 48  |
| THE ISSUE                                                                                      | 48  |
| SUMMARY FINANCIAL INFORMATION                                                                  | 50  |
| GENERAL INFORMATION                                                                            | 53  |
| CAPITAL STRUCTURE                                                                              | 61  |
| OBJECTS OF THE ISSUE                                                                           | 68  |
| BASIS FOR ISSUE PRICE                                                                          | 75  |
| STATEMENT OF POSSIBLE TAX BENEFITS                                                             | 78  |
| <b>SECTION IV – ABOUT THE COMPANY</b>                                                          | 82  |
| INDUSTRY OVERVIEW                                                                              | 82  |
| OUR BUSINESS                                                                                   | 103 |
| KEY REGULATIONS AND POLICIES                                                                   | 116 |
| HISTORY AND CERTAIN CORPORATE MATTERS                                                          | 120 |
| OUR MANAGEMENT                                                                                 | 127 |
| OUR PROMOTER AND PROMOTER GROUP                                                                | 143 |
| OUR GROUP COMPANIES                                                                            | 148 |
| RELATED PARTY TRANSACTIONS                                                                     | 152 |
| DIVIDEND POLICY                                                                                | 153 |
| SUPPLEMENTARY FINANCIAL INFORMATION                                                            | 154 |
| <b>SECTION V: FINANCIAL INFORMATION</b>                                                        | 155 |
| FINANCIAL STATEMENTS                                                                           | 155 |
| OTHER FINANCIAL INFORMATION                                                                    | 207 |
| CAPITALISATION STATEMENT                                                                       | 208 |
| FINANCIAL INDEBTEDNESS                                                                         | 209 |
| MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS          | 210 |
| <b>SECTION VI: LEGAL AND OTHER INFORMATION</b>                                                 | 245 |
| OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS                                               | 245 |
| GOVERNMENT AND OTHER APPROVALS                                                                 | 250 |
| OTHER REGULATORY AND STATUTORY DISCLOSURES                                                     | 253 |
| <b>SECTION VII: ISSUE RELATED INFORMATION</b>                                                  | 261 |
| TERMS OF THE ISSUE                                                                             | 261 |
| ISSUE STRUCTURE                                                                                | 266 |
| ISSUE PROCEDURE                                                                                | 270 |
| RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES                                         | 286 |
| <b>SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION</b>    | 287 |
| <b>SECTION IX: OTHER INFORMATION</b>                                                           | 326 |
| MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION                                                | 326 |
| DECLARATION                                                                                    | 328 |

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

*The words and expressions used in this Red Herring Prospectus, but not defined herein shall have the meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, and the Depositories Act and the rules and regulations made thereunder.*

*The terms not defined herein but used in the sections entitled “Statements of Special Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “History and Certain Corporate Matters”, “Financial Statements”, “Outstanding Litigation and Material Developments”, “Issue Procedure” and “Description of Equity Shares and Terms of the Articles of Association” on pages 78, 116, 120, 155, 245, 270 and 287, respectively, shall have the meanings ascribed to such terms in such sections.*

#### General Terms

| Term                                                   | Description                                                                                                                                                                                                                                                                  |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “the Company”, “our Company”, “the Issuer” or “Nureca” | Nureca Limited, a company incorporated under the Companies Act, 2013, having its registered office at 128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon (East), Mumbai- 400063 and corporate office at SCO 6 – 7 – 8, 1st Floor, Sector 9 D, Chandigarh, India |
| “we”, “us” or “our”                                    | Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries                                                                                                                                                                      |

#### Company Related Terms

| Term                                   | Description                                                                                                                                                                                                                                                          |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Articles/ Articles of Association/ AOA | Articles/ Articles of Association of our Company, as amended from time to time.                                                                                                                                                                                      |
| Audit Committee                        | The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, the details of which are provided in “Our Management” on page 127. |
| Auditors/ Statutory Auditors           | The statutory auditors of our Company, B S R & Co. LLP, Chartered Accountants.                                                                                                                                                                                       |
| Board/Board of Directors               | Board of Directors of our Company or a duly constituted committee thereof.                                                                                                                                                                                           |
| Compliance Officer                     | Our company secretary who has been appointed as the compliance officer of our Company.                                                                                                                                                                               |
| Chairman and/ or Managing Director     | Chairman and/ or Managing Director of our Company being Saurabh Goyal                                                                                                                                                                                                |
| Chief Executive Officer/ CEO           | Chief Executive Officer of our Company being Aryan Goyal                                                                                                                                                                                                             |
| Chief Financial Officer/ CFO           | Chief Financial Officer of our Company being Sakshi Mittal                                                                                                                                                                                                           |
| Corporate Office                       | The corporate office of our Company, situated at SCO 6 – 7 – 8, 1st Floor, Sector 9 D, Chandigarh, India                                                                                                                                                             |
| Corporate Social Responsibility        | The committee of the Board of Directors constituted as our Company’s corporate social responsibility committee in accordance with the Companies Act, 2013.                                                                                                           |

| Term                                                                                                        | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Committee/ Committee                                                                                        | CSR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Director(s)                                                                                                 | The director(s) on the Board of our Company, unless otherwise specified.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Equity Shares                                                                                               | Equity shares of our Company of face value of ₹ 10 each.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Group Companies                                                                                             | Companies (other than subsidiaries) identified as in “Group Companies” in the section titled “ <i>Our Group Companies</i> ” on page 148.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Independent Directors                                                                                       | Independent Directors of our Company being Vijay Kumar Sharma, Charu Singh and Ruchita Agarwal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| IPO Committee                                                                                               | The committee constituted by our Board for the Issue, as described in “ <i>Our Management</i> ” on page 127.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Key Managerial Personnel/ KMP                                                                               | Those individuals described in the sub-section titled “ <i>Our Management – Key Managerial Personnel</i> ” on page 127.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Materiality Policy                                                                                          | A policy adopted by our Company, in its Board meeting held on October 21, 2020 for identification of group companies, material creditors and material litigations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Memorandum/ Memorandum of Association/ MoA                                                                  | Memorandum of association of our Company, as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Nomination and Remuneration Committee                                                                       | The committee of the Board of Directors reconstituted as our Company’s nomination and remuneration committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” on page 127.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Promoter                                                                                                    | The promoter of our Company, namely, Saurabh Goyal.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Promoter Group                                                                                              | The persons and entities constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details of our Company’s Promoter Group, see “ <i>Our Promoter and Promoter Group</i> ” on page 143.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Registered Office                                                                                           | The registered office of our Company situated at 128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon (East), Mumbai - 400063, Maharashtra, India.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Registrar of Companies/ ROC                                                                                 | Registrar of Companies, Maharashtra at Mumbai situated at 100 Everest, Marine Drive, Mumbai 400 002, Maharashtra, India.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Restated Consolidated Financial Information / Restated Financial Statements/ Restated Financial Information | Restated consolidated financial statements of our Company and our Subsidiaries which comprise the restated consolidated statement of assets and liabilities as at September 30, 2020, March 31, 2020, 2019 and 2018, the restated consolidated statement of profit and loss (including other comprehensive income), restated consolidated statement of changes in equity and the restated consolidated statement of cash flows for six month period ended on September 30, 2020 and the financial years ended March 31 2020, 2019 and 2018 and the summary of significant accounting policies, read with annexures and notes thereto and the examination reports thereon and other financial information for the financial periods then ended, prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time and included in the section titled “ <i>Financial Statements</i> ” on page 155. |
| Scheme / Scheme of Arrangement                                                                              | Scheme of Arrangement under section 230 to 232 read with section 66 and other applicable provisions of Companies Act, 2013 amongst Nectar Biopharma Private Limited, our Company and their respective shareholders and creditors as approved by National Company Law Tribunal, Mumbai <i>vide</i> its order dated April 29, 2020.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Shareholders                                                                                                | Shareholders of our Company, from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Stakeholders’ Relationship Committee                                                                        | The committee of the Board of Directors constituted as our Company’s Stakeholders’ Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Subsidiaries                                                                                                | Subsidiaries of our Company namely, Nureca, Inc., Nureca Technologies Private Limited and, Nureca Healthcare Private Limited.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

## Issue Related Terms

| Term                                                           | Description                                                                                                                                                                                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Acknowledgement Slip                                           | The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid Cum Application Form.                                                                                                                                                                                                                                                                                                   |
| Allot/Allotment/Allotted                                       | Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful Bidders.                                                                                                                                                                                                                                                                                                         |
| Allotment Advice                                               | Note or advice or intimation of Allotment sent to each successful Bidder who has been or is to be Allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.                                                                                                                                                                                                                          |
| Allottee                                                       | A successful Bidder to whom the Equity Shares are Allotted.                                                                                                                                                                                                                                                                                                                                                                        |
| Anchor Investor(s)                                             | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and this Red Herring Prospectus and who has Bid for an amount of at least ₹100 million.                                                                                                                                                                                     |
| Anchor Investor Allocation Price                               | The price at which Equity Shares will be allocated to the Anchor Investor in terms of this Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLM on the Anchor Investor Bid/ Issue Period.                                                                                                                                                                                 |
| Anchor Investor Application Form                               | The 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 this Red Herring Prospectus and the Prospectus.                                                                                                                                                                                                                          |
| Anchor Investor Bid/ Issue period/Anchor Investor Bidding Date | The day, one Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLM will not accept any bids from Anchor investors, and allocation to Anchor Investors shall be completed.                                                                                                                                                                      |
| Anchor Investor Issue Price                                    | Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of this 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 BRLM.                                                                                   |
| Anchor Investor Portion                                        | Up to 60% of the QIB Portion, consisting of [●] Equity Shares, which may be allocated by our Company in consultation with the BRLM, to Anchor Investors on a discretionary basis. 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 SEBI ICDR Regulations. |
| Anchor Investor Pay-in Date                                    | The Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date.                                                                                                                                                                                                                                          |
| Application Supported by Blocked Amount/ASBA                   | An application, whether physical or electronic, used by Bidders/ Applicants, other than Anchor Investors, to make a Bid by authorizing an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by Retail Individual Bidders using the UPI Mechanism.                                                                                                              |
| ASBA Account                                                   | A bank account maintained with an SCSB which may be blocked by such SCSB or the account of the Retail Individual Bidder blocked upon acceptance of UPI Mandate Request by Retail Individual Bidders using the UPI Mechanism to the extent of the Bid Amount of the Bidder/Applicant.                                                                                                                                               |
| ASBA Bid                                                       | A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                       |
| ASBA Bidder                                                    | All Bidders except Anchor Investors.                                                                                                                                                                                                                                                                                                                                                                                               |
| ASBA Form                                                      | An application form, whether physical or electronic, used by ASBA Bidders, which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus.                                                                                                                                                                                                                                   |
| Banker to the Issue                                            | ICICI Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Basis of Allotment                                             | Basis on which the Equity Shares will be Allotted to successful Bidders under the Issue and which is described in the section titled “Issue Procedure” on page 270.                                                                                                                                                                                                                                                                |
| Bid(s)                                                         | An indication to make an offer during the Bid/ Issue Period by a Bidder (other than Anchor Investor) pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/ Issue Period by the Anchor Investors, to subscribe to or purchase the Equity                                                                                                                                                       |

| Term                                    | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                         | Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of this Red Herring Prospectus and Bid cum Application Form.                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Bid Amount                              | The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder/blocked in the ASBA Account on submission of a bid in the Issue.<br><br>However, Eligible Employees applying in the Employee Reservation Portion could have applied at the Cut-off Price.                                                                                                                                                                                                                                                                                                                                                           |
| Bid cum Application Form                | The Anchor Investor Application Form or the ASBA Form, as the context requires.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Bidder                                  | Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Bidding Centres                         | Centres at which the Designated Intermediaries shall accept the ASBA Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.                                                                                                                                                                                                                                                                                                                                                                        |
| Bid Lot                                 | [●] Equity Shares and in multiples of [●] Equity Shares thereafter.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Bid/ 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, being February 17, 2021.<br><br>Our Company in consultation with the BRLM, 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.<br><br>In case of any revisions, the extended Bid/ Issue Closing Date shall also be notified on the websites and terminals of the Syndicate Members, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank. |
| Bid/ 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, being February 15, 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Bid/ Issue Period                       | Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations, provided that such period shall be kept open for a minimum of three Working Days.<br><br>Our Company in consultation with the BRLM, 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.                                                                                        |
| Book Building Process                   | The book building process, as provided in Schedule XIII of the SEBI ICDR Regulations and as amended from time to time, in terms of which the Issue is being made.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| BRLM/Book Running Lead Manager          | The book running lead manager to the Issue, being ITI Capital Limited.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Broker Centres                          | Broker centres notified by the Stock Exchanges, where relevant 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 are available on the websites of the respective Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ).                                                                                                                                                                                                                                     |
| CAN / Confirmation of Allocation Note   | Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/ Issue Period.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Cap Price                               | The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted.                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Client ID                               | Client identification number of the Bidder's beneficiary account                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Collecting Depository Participant(s) or | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no.                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

| Term                                 |       | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------------------|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CDP(s)                               |       | GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the websites of BSE and NSE.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Cut-off Price                        |       | The Issue Price, finalised by our Company in consultation with BRLM, which shall be any price within the Price Band. Only Retail Individual Bidders and Eligible Employees under Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Demographic Details                  |       | Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, PAN, occupation and bank account details and UPIID, wherever applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Designated Date                      |       | The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIBs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account, in terms of this Red Herring Prospectus following which Equity Shares will be Allotted in the Issue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Designated Intermediaries            |       | Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the relevant Bidders, in relation to the Issue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Designated Locations                 | CDP   | Such locations of the CDPs where relevant Bidders can submit the ASBA Forms and in case of RIBs 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 ASBA Forms are available on the respective websites of the Stock Exchanges. (www.bseindia.com and www.nseindia.com)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Designated Locations                 | RTA   | Such locations of the RTAs where relevant Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges. (www.bseindia.com and www.nseindia.com)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Designated Branches                  | SCSB  | Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Designated Exchange                  | Stock | BSE Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Draft Red Herring Prospectus or DRHP |       | The draft red herring prospectus dated November 10, 2020 issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars, including of the price at which the Equity Shares will be Allotted and the size of the Issue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Employee Discount                    |       | A discount of ₹[●] on the Issue Price, which may be offered to Eligible Employees Bidding in the Employee Reservation Portion, subject to the Bid Amount not exceeding ₹500,000.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Eligible Employee(s)                 |       | Permanent employees, working in India or outside India, of our Company or of our Subsidiaries or a Director of our Company, whether whole-time or not, as on the date of the filing of this Red Herring Prospectus with the RoC, but not including (i) Promoter; (ii) persons belonging to the Promoter Group; or (iii) Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding equity shares of our Company.<br><br>The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000. Only in the event of an under-subscription in the Employee Reservation Portion post initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. |
| Eligible NRI(s)                      |       | NRIs from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the ASBA Form and this Red Herring Prospectus                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |



| Term                                | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                     | constitutes an invitation to subscribe to or purchase the Equity Shares.                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Escrow Account(s)                   | Account(s) opened for the Issue with the Escrow Collection Bank and in whose favour the Anchor Investors may issue or transfer money through direct credit/NACH/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.                                                                                                                                                                                                                                                                                                                 |
| Escrow Collection Bank              | Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being ICICI Bank Limited.                                                                                                                                                                                                                                                                                                                                                                       |
| Equity Listing Agreements           | The listing agreements to be entered into by our Company with the Stock Exchanges in relation to our Equity Shares.                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Employee Reservation Portion        | The portion of the Issue being up to [●]^ Equity Shares aggregating to ₹10.00 million, available for allocation to Eligible Employees, on a proportionate basis, constituting up to 5% of the post-Issue paid-up Equity Share capital of our Company.<br><br>^Employee Discount may be offered to Eligible Employees Bidding in the Employee Reservation Portion.                                                                                                                                                                             |
| First Bidder                        | The Bidder whose name appears first in the Bid cum Application Form in case of a joint Bid and whose name shall also appear as the first holder of the beneficiary account held in joint names or any revisions thereof.                                                                                                                                                                                                                                                                                                                      |
| Floor Price                         | The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted.                                                                                                                                                                                                                                                                                                                                                                               |
| Frost & Sullivan                    | Frost and Sullivan (India) Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Frost & Sullivan Report             | Report titled “ <i>Home Health Market in India and Neighbouring Countries</i> ” issued by Frost & Sullivan dated October 31, 2020.                                                                                                                                                                                                                                                                                                                                                                                                            |
| Fugitive Economic Offender          | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018                                                                                                                                                                                                                                                                                                                                                                                                                      |
| General Information Document or GID | The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM.                                                                                                                                                                                                |
| ITI/ ITI Capital/ BRLM              | ITI Capital Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Issue                               | Public issue of up to [●] Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ 1,000.00 million. The Issue comprises of Net Issue and Employee Reservation Portion.                                                                                                                                                                                                                                                                                                                                                           |
| Issue Agreement                     | The agreement dated November 10, 2020 between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.                                                                                                                                                                                                                                                                                                                                                                                        |
| Issue Price                         | The final price (net of Employee Discount, as applicable) at which the Equity Shares will be Allotted to Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of this Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM, on the Pricing Date. Unless otherwise stated or the context otherwise implies, the term Issue Price refers to the Issue Price applicable to investors other than Anchor Investors. |
| Issue Proceeds                      | The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” on page 68.                                                                                                                                                                                                                                                                                                                                                                   |
| Issue Size                          | Initial Public Offering of up to [●] Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] each, aggregating up to ₹ 1,000.00 million.                                                                                                                                                                                                                                                                                                                                                                         |
| Mutual Fund                         | Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Mobile App(s)                       | The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIBs to submit Bids using the UPI Mechanism                                                                                                                                                              |
| Mutual Fund Portion                 | 5% of the Net QIB Portion or [●] Equity Shares which shall be available for allocation to Mutual Funds only.                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Net Issue                           | The Issue less the Employee Reservation Portion                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Net Proceeds                        | Proceeds of the Issue less Company’s share of Issue related expenses. For further                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

| Term                                         | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                              | information about the Issue related expenses, see “ <i>Objects of the Issue</i> ” on page 68.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Net QIB Portion                              | The QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Non-Institutional Bidders                    | All Bidders including FPIs that are not QIBs or Retail Individual Bidders or Eligible Employees Bidding in the Employee Reservation Portion and who have Bid for the Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).                                                                                                                                                                                                                                                                                                                                                                                                  |
| Non-Institutional Portion                    | The portion of the Net Issue being not more than 15% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Issue Price.                                                                                                                                                                                                                                                                                                                                                                                                   |
| Price Band                                   | Price Band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price), including any revisions thereof.<br><br>The Price Band will be decided by our Company in consultation with the BRLM and will be advertised, at least two (2) Working Days prior to the Bid/Issue Opening Date, in all editions of the English national daily newspaper Financial Express, all editions of the Hindi national daily newspaper Jansatta and Mumbai editions of the Marathi newspaper Navshakti (Marathi being the regional language of Maharashtra where our Registered Office is located), each with wide circulation. |
| Pricing Date                                 | The date on which our Company in consultation with BRLM will finalise the Issue Price.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Prospectus                                   | The prospectus to be filed with the RoC in accordance with section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Issue Price that is determined through the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.                                                                                                                                                                                                                                                                                                                                   |
| Public Issue Account                         | Account opened with the Public Issue Bank to receive monies from the Escrow Account(s) and to which the funds shall be transferred by the SCSBs from the ASBA Accounts of the successful Allottees, on or after the Designated Date.                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Public Issue Bank                            | Bank with whom the Public Issue Account for collection of bidding amount from Escrow Account(s) and ASBA Accounts of the successful Allottees opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being ICICI Bank Limited.                                                                                                                                                                                                                                                                                                                                                                                   |
| QIB Portion                                  | The portion of the Net Issue, being at least 75% of the Net Issue, which shall be Allotted to QIBs (including Anchor Investors).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Qualified Institutional Buyers/ QIBs         | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Red Herring Prospectus/ RHP                  | This Red Herring Prospectus dated January 29, 2021 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addenda or corrigenda thereto. This Red Herring Prospectus will be filed with the RoC at least three Working Day(s) before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.                                                                                                                       |
| Refund Account(s)                            | The account opened with the Refund Banker, from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Refund Bank                                  | ICICI Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Refunds through electronic transfer of funds | Refunds through NACH, Direct Credit, RTGS or NEFT, as applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Registered Brokers                           | Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI.                                                                                                                                                                                                                                                                         |
| Registrar Agreement                          | The agreement dated November 10, 2020 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Registrar and Share                          | Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

| <b>Term</b>                                                     | <b>Description</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Transfer Agents/RTAs                                            | 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                                | Link Intime India Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Retail Individual Bidders(s) / RIB(s)                           | Individual Bidders who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Retail Portion                                                  | The portion of the Net Issue being not more than 10% of the Net Issue, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders as per the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Revision Form                                                   | Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Forms or any previous revision form(s) before closure of the Issue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                                                 | Kindly note that QIBs and Non-Institutional Bidders are not allowed to withdraw or lower their Bid (in terms of quantity of Equity Shares or the Bid Amount) at any stage, once submitted. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise and withdraw their Bids during the Bid/Issue Period.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Self-Certified Syndicate Banks or SCSBs                         | The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <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> , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time. |
| Specified Locations                                             | Bidding centres where the members of Syndicate shall accept ASBA Forms from Bidders.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Sponsor Bank                                                    | ICICI Bank Limited, 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 RIBs using the UPI and carry out other responsibilities, in terms of the UPI Circulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Stock Exchanges                                                 | BSE and NSE.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Syndicate Agreement                                             | The agreement dated January 27, 2021 entered into amongst the BRLM, the Syndicate Members, the Registrar to the Issue and our Company in relation to the collection of Bid cum Application Forms by the Syndicate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Syndicate Members                                               | Intermediaries registered with the SEBI who are permitted to carry out activities as an underwriter, namely, Antique Stock Broking Limited and ITI Securities Broking Limited.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Syndicate/ members of the Syndicate                             | BRLM and the Syndicate Members.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Systemically Important Non Banking Financial Companies/ NBFC-SI | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations is a non-banking financial company registered with the RBI and authorize as a systemically important non-banking financial company by the RBI.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| TRS/Transaction Registration Slip                               | The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Underwriters                                                    | [●]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Underwriting Agreements                                         | The agreement dated [●] amongst the Underwriters and our Company to be entered into on or after the Pricing Date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| UPI                                                             | Unified payments interface which is an instant payment mechanism, developed by NPCI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| UPI Circulars                                                   | The 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 number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

| Term                | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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|                     | SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 and any subsequent circulars or notifications issued by SEBI in this regard                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| UPI ID              | ID created on the UPI.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| UPI Mandate Request | Request (intimating the RIB by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorize blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment                                                                                                                                                                                    |
| UPI Mechanism       | The bidding mechanism that may be used by an RIB in accordance with the UPI Circulars to make an ASBA Bid in the Issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Working Days        | All days on which commercial banks in Mumbai are open for business provided however, with reference to (a) announcement of Price Band and (b) Bid/Issue Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business and (c) 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 the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI |

### Conventional and General Terms and Abbreviations

| Term                                | Description                                                                                                                                                                                                                                                         |
|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AFIB                                | Atrial Fibrillation                                                                                                                                                                                                                                                 |
| AIF(s)                              | Alternative Investment Funds                                                                                                                                                                                                                                        |
| BSE                                 | BSE Limited                                                                                                                                                                                                                                                         |
| BP                                  | Blood Pressure                                                                                                                                                                                                                                                      |
| B2C                                 | Business to Customer                                                                                                                                                                                                                                                |
| CE                                  | The Conformite Europeenne                                                                                                                                                                                                                                           |
| 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.                                                                                                                                                              |
| CDSL                                | Central Depository Services (India) Limited                                                                                                                                                                                                                         |
| CEO                                 | Chief Executive Officer                                                                                                                                                                                                                                             |
| CFO                                 | Chief Financial Officer                                                                                                                                                                                                                                             |
| CIN                                 | Corporate Identity Number                                                                                                                                                                                                                                           |
| CIT                                 | Commissioner of Income Tax                                                                                                                                                                                                                                          |
| CLRA                                | Contract Labour (Regulation and Abolition) Act, 1970, as amended                                                                                                                                                                                                    |
| Companies Act / Companies Act 2013  | Companies Act, 2013 and the rules thereunder.                                                                                                                                                                                                                       |
| Consolidated FDI Policy/ FDI Policy | The consolidated FDI Policy, effective from October 15, 2020, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time |
| COVID-19                            | A public health emergency of international concern as declared by World Health Organization on January 30, 2020 and a pandemic on March 11, 2020.                                                                                                                   |
| CSR                                 | Corporate social responsibility.                                                                                                                                                                                                                                    |
| Category I FPI                      | FPIs who are registered with SEBI as “Category I foreign portfolio investors” under the SEBI FPI Regulations.                                                                                                                                                       |
| Category II FPI                     | FPIs who are registered with SEBI as “Category II foreign portfolio investors” under the SEBI FPI Regulations.                                                                                                                                                      |

| <b>Term</b>                      | <b>Description</b>                                                                                                                                                                                                                           |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Depository(ies)                  | NSDL and CDSL, both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018                                                                           |
| Depositories Act                 | The Depositories Act, 1996, as amended                                                                                                                                                                                                       |
| DIN                              | Director Identification Number                                                                                                                                                                                                               |
| DPIIT                            | Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India                                                                                                                              |
| DP ID                            | Depository Participant's identity number                                                                                                                                                                                                     |
| EBITDA                           | Earnings before interest, tax, depreciation and amortization                                                                                                                                                                                 |
| EGM                              | Extraordinary general meeting.                                                                                                                                                                                                               |
| EPF Act                          | Employees' Provident Fund and Miscellaneous Provisions Act, 1952, as amended                                                                                                                                                                 |
| EPS                              | Earnings per share                                                                                                                                                                                                                           |
| ESI Act                          | Employees' State Insurance Act, 1948, as amended                                                                                                                                                                                             |
| FCNR Account                     | Foreign Currency Non Resident (Bank) account established in accordance with the FEMA                                                                                                                                                         |
| FDA                              | United States Food and Drug Administration                                                                                                                                                                                                   |
| FDI                              | Foreign direct investment                                                                                                                                                                                                                    |
| FEMA                             | The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder                                                                                                                                                         |
| FEMA Rules                       | Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, GoI                                                                                                                                        |
| Financial Year/ Fiscal           | The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year                                                                                             |
| FPIs                             | A foreign portfolio investor who has been registered under Chapter II of the SEBI FPI Regulations and shall be deemed to be an intermediary in terms of the provisions of the Securities and Exchange Board of India Act, 1992.              |
| FVCI                             | Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI                                                                   |
| GAAR                             | General Anti-Avoidance Rules                                                                                                                                                                                                                 |
| GDP                              | Gross Domestic Product                                                                                                                                                                                                                       |
| GoI                              | The Government of India                                                                                                                                                                                                                      |
| GST                              | Goods and services tax                                                                                                                                                                                                                       |
| HUF(s)                           | Hindu Undivided Family(ies)                                                                                                                                                                                                                  |
| IAS Rules                        | Companies (Indian Accounting Standards) Rules, 2015                                                                                                                                                                                          |
| ICAI                             | Institute of Chartered Accountants of India                                                                                                                                                                                                  |
| IFRS                             | International Financial Reporting Standards                                                                                                                                                                                                  |
| IFSC                             | Indian Financial System Code                                                                                                                                                                                                                 |
| Income Tax Act / IT Act          | Income Tax Act, 1961                                                                                                                                                                                                                         |
| Ind AS                           | The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended                                                                                                                            |
| Indian GAAP                      | Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 |
| INR or ₹ or Rs. Or Indian Rupees | Indian Rupee, the official currency of the Republic of India                                                                                                                                                                                 |
| IPO                              | Initial public offering                                                                                                                                                                                                                      |
| IT                               | Information Technology                                                                                                                                                                                                                       |
| MAT                              | Minimum Alternate Tax.                                                                                                                                                                                                                       |
| MCA                              | The Ministry of Corporate Affairs, GoI                                                                                                                                                                                                       |
| MICR                             | Magnetic ink character recognition.                                                                                                                                                                                                          |
| Mn                               | Million                                                                                                                                                                                                                                      |

| <b>Term</b>                 | <b>Description</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mutual Funds                | Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended                                                                                                                                                                                                                                                                                                                                                     |
| N.A. or NA                  | Not Applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| NACH                        | National Automated Clearing House, a consolidated system of ECS.                                                                                                                                                                                                                                                                                                                                                                                                                        |
| NCLT                        | National Company Law Tribunal.                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Net Worth                   | Equity share capital + Other Equity (including Securities Premium and Surplus/ (Deficit))                                                                                                                                                                                                                                                                                                                                                                                               |
| Net profit after tax        | Profit for the period/ year                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Notified Sections           | The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect                                                                                                                                                                                                                                                                                                                                                                                  |
| NPCI                        | National Payments Corporation of India                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| NR/ Non-resident            | A person resident outside India, as defined under the FEMA and includes an NRI.                                                                                                                                                                                                                                                                                                                                                                                                         |
| NRI                         | Non-Resident Indian.                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| NRO                         | Non-resident ordinary account                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 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 and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue |
| NSDL                        | National Securities Depository Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| NSE                         | National Stock Exchange of India Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| P/E Ratio                   | Price/Earnings Ratio                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| PAN                         | Permanent account number                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| PAT                         | Profit after tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| RBI                         | The Reserve Bank of India                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Regulation S                | Regulation S under the Securities Act                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| SCRA                        | Securities Contract (Regulation) Act, 1956, as amended                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| SCRR                        | The Securities Contracts (Regulation) Rules, 1957, as amended                                                                                                                                                                                                                                                                                                                                                                                                                           |
| SEBI                        | The Securities and Exchange Board of India constituted under the SEBI Act                                                                                                                                                                                                                                                                                                                                                                                                               |
| SEBI Act                    | The Securities and Exchange Board of India Act, 1992, as amended                                                                                                                                                                                                                                                                                                                                                                                                                        |
| SEBI AIF Regulations        | Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended                                                                                                                                                                                                                                                                                                                                                                                    |
| SEBI Depository Regulations | Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, 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       | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended                                                                                                                                                                                                                                                                                                                                                                     |
| SEBI Listing Regulations    | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended                                                                                                                                                                                                                                                                                                                                                                  |
| SEBI Takeover Regulations   | The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended                                                                                                                                                                                                                                                                                                                                                              |
| Securities Act              | The United States Securities Act of 1933, as amended                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| STT                         | Securities Transaction Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Trademarks Act              | Trademarks Act, 1999, as amended                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| TDS                         | Tax deducted at source                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| UPI                         | Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors.                                                                                                                                                                                                                                                                           |
| US\$/ USD/ US Dollar        | United States Dollar, the official currency of the United States of America                                                                                                                                                                                                                                                                                                                                                                                                             |

| Term               | Description                                                                                                                                                                                                                                                                   |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| USA/ U.S./ US      | United States of America, its territories and possessions, any state of the United States of America and the District of Columbia                                                                                                                                             |
| U.S. GAAP          | Generally Accepted Accounting Principles in the United State of America                                                                                                                                                                                                       |
| VAT                | Value Added Tax                                                                                                                                                                                                                                                               |
| VCFs               | Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be |
| Wilful Defaulter   | Wilful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.                                                                                                                                                                                          |
| Year/Calendar Year | Unless context otherwise requires, shall refer to the twelve month period ending December 31                                                                                                                                                                                  |

#### Industry Related Terms

| Term | Description                                 |
|------|---------------------------------------------|
| ACV  | Apple Cider Vinegar                         |
| BMI  | Body Mass Index                             |
| COPD | Chronic Obstructive Pulmonary Disease       |
| CVD  | Cardiovascular Diseases                     |
| ECGs | Electrocardiograms                          |
| GDP  | Gross Domestic Product                      |
| GST  | Goods and Services Tax                      |
| INR  | Indian Rupee                                |
| NCDs | Non-Communicable Diseases                   |
| OPDs | Outpatient Departments                      |
| PoC  | Point-of-Care                               |
| SmBG | Self-monitoring of Blood Glucose            |
| TENS | Transcutaneous Electrical Nerve Stimulation |
| WHO  | World Health Organisation                   |

*Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of Articles of Association”, “Statement of Possible Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “Financial Information”, and “Outstanding Litigation and Material Developments” on pages 287, 78, 82, 116, 155, and 245 respectively, will have the meaning ascribed to such terms in these respective sections.*

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

### **Certain Conventions**

All references in this Red Herring Prospectus to “India” are to the Republic of India. All references to the “Government”, “Indian Government”, “GOP”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

All references to the “US”, “USA” or “United States” are to the United States of America and its territories and possessions.

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

### **Financial Data**

Unless stated otherwise, the financial information and financial ratios in this Red Herring Prospectus have been derived from our Restated Consolidated Financial Information. For details, see “*Financial Statements*” beginning on page 155.

Our Company’s Financial Year commences on April 1 and ends on March 31 of the following year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that year. Reference in this Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

Certain figures contained in this Red Herring Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

The Restated Consolidated Financial Information (a) for the six months period ended September 30, 2020 and (b) for the year ended March 31, 2020, 2019 and 2018 have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, read with Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013, to the extent applicable, and each have been restated in accordance with the SEBI ICDR Regulations.

The Restated Consolidated Financial Information have been derived from (i) our audited consolidated financial statements as at and for the six months period ended September 30, 2020 prepared in accordance with Ind AS – 34; (ii) our audited and consolidated financial statements as at and for the year ended March 31, 2020, 2019 and 2018 prepared in accordance with previous GAAP translated and adjusted in conformity with Ind AS. The proforma financial information of our Company (on a consolidated basis) for the year ended March 31, 2019 and March 31, 2018, have been prepared in accordance with requirements of circular no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 issued by SEBI. This proforma Ind AS financial information has been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2019 and March 31, 2018.

Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including IFRS and US GAAP, and the reconciliation of the financial information to other accounting principles has not been provided. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus, and investors should consult their own advisors regarding such differences and their impact on our Company’s financial data. The degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of



familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Industry Overview*” “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on pages 25, 82, 103 and 210, respectively, and elsewhere in this Red Herring Prospectus, have been calculated on the basis of the Restated Consolidated Financial Information.

## Time

All references to time in this Red Herring Prospectus are to Indian Standard Time.

## Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” are to United States Dollar, the official currency of the United States.

## Exchange rates

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

The exchange rates referred to for the purpose of conversion of foreign currency amounts into India Rupee amounts, are as follows:

| Currency# | Exchange rate as on |                |                |                |
|-----------|---------------------|----------------|----------------|----------------|
|           | September 30, 2020  | March 31, 2020 | March 31, 2019 | March 31, 2018 |
| 1 USD     | 73.80               | 75.38          | 69.17          | 65.04          |

(Source: RBI reference rate and [www.fbil.org.in](http://www.fbil.org.in))

*Note: In the event that March 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.*

## Industry and Market Data

The industry and market data set forth in this Red Herring Prospectus have been obtained or derived from publicly available information as well as industry publications and sources.

This Red Herring Prospectus contains certain industry and market data and statements concerning our industry obtained or extracted from “*Home Health Market in India and Neighbouring Countries*” dated October 31, 2020 (the “*Frost & Sullivan Report*”), prepared and issued by Frost & Sullivan.

Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we have no reason to believe that industry data used in this Red Herring Prospectus is not reliable, it has not been independently verified by us, none of our Directors, and the BRLM, any of its affiliates or advisors make any representation as to its accuracy or completeness. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which industry and market data set forth in this Red Herring Prospectus is meaningful depends on the

reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "Risk Factors" on page 25.

#### **Disclaimer of Frost & Sullivan**

*"This independent market research study on the "Home Health Market in India and Neighbouring Countries" dated 31st October 2020 has been prepared for Nureca Limited in relation to its proposed initial public offering in connection with its listing on the stock exchange(s). This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Frost & Sullivan's estimates and assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain. Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged. Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. The report has been prepared for the Company's internal use, submission, and sharing with the relevant partners as well as for inclusion in the draft red herring prospectus, red herring prospectus, prospectus or any other document in relation to the offer, in full or in parts as may be decided by the Company."*

## FORWARD-LOOKING STATEMENTS

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

These forward-looking statements, whether made by us or a third-party, are based on our current plans, estimates, presumptions and expectations and actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our growth and expansion strategies, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our 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 and changes in competition in our industry. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations;
- Our ability to successfully identify and respond to changing customer preferences and demands in a cost-effective and timely manner;
- Our ability to successfully manage the introduction of new products;
- Our ability to maintain our relationships with domestic as well as foreign vendors and their inability to meet our products specifications and supply our products in timely manner;
- Regulatory changes pertaining to the industry in India which have an impact on our business and our ability to respond to them;
- Our ability to successfully implement our strategy, growth and expansion;
- Competition in the industry in which we operate in;
- Our ability to respond to technological changes; and
- Slowdown in economic growth in India or the other countries in which we operate

For further discussion on factors that could cause our actual results to differ from the expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 25, 103 and 210, 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.

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

Forward-looking statements reflect the current views of our Company as of the date of this 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, Promoter, Directors, the BRLM 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 regulatory requirements, our Company and the BRLM will ensure that investors are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

## SUMMARY OF THIS RED HERRING PROSPECTUS

*The following is a general summary of the terms of the Issue included in this Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Red Herring Prospectus or the Prospectus when filed, or all details relevant to prospective investors. This section should be read in conjunction with the sections titled “Risk Factors”, “Our Business”, “Objects of The Issue”, “Industry Overview”, “Capital Structure”, “Outstanding Litigation and Material Developments” Management’s Discussion and Analysis of Financial Condition and Results of Operations” and Description of Shares and Terms of Articles of Association” on pages 25, 103, 68, 82, 61, 245, 210 and 287, respectively, as well as the Restated Consolidated Financial Information included in “Financial Information” beginning on page 155.*

### Summary of our business

We are a B2C company engaged in the business of home healthcare and wellness products, which offers quality, durability, functionality, usability and innovative designs. We enable our customers with tools to help them monitor chronic ailments and other diseases, to improve their lifestyle. We believe in innovation and catering new products to the ever-growing needs of the home health care sector. We are a digital first company wherein we sell our products through online channel partners such as e-commerce players, distributors and retailer. Further, we also sell our products through our own website drtrust.in.

For further details, see “Our Business” on page 103.

### Summary of industry in which we operate

The Home Health Market in India and neighbouring countries is pegged at ₹ 20,757.0 Cr in 2019 and is expected to grow to ₹ 38,920.7 Cr by 2025 at a CAGR 11.0%. The growth is driven by rising awareness of Health and wellness, increasing spending power, growing burden of chronic diseases, and the need for Healthcare stakeholders to reduce healthcare costs. (Source: Frost & Sullivan Report)

For further details, see “Industry Overview” on page 82.

### Our Promoter

Our Promoter is Saurabh Goyal. For details, see “Our Promoter and Promoter Group” on page 143.

### Issue Size

|       |                                                                |
|-------|----------------------------------------------------------------|
| Issue | Up to [●] Equity Shares, aggregating up to ₹1,000.00 million*^ |
|-------|----------------------------------------------------------------|

\* Our Board of Directors has approved the Issue pursuant to a resolution passed at their meeting held on September 3, 2020 and our Shareholders have approved the Issue pursuant to a resolution passed at the EGM held on September 4, 2020.

^ The Issue will comprise of a Net Issue of [●] Equity Shares and the Employee Reservation Portion of up to [●] Equity Shares. The Issue less Employee Reservation Portion is referred to as the Net Issue. The Issue and Net Issue shall constitute [●]% and [●]% of the post-Issue paid-up Equity Share capital of our Company, respectively

### Objects of the Issue

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

| Object                                                          | Amount (in ₹ million) |
|-----------------------------------------------------------------|-----------------------|
| Funding incremental working capital requirements of our Company | 750.00                |
| General corporate purposes*                                     | [●]                   |
| Net Proceeds*                                                   | [●]                   |

\* To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

### Aggregate Pre-Issue Shareholding of our Promoter and Promoter Group

Set forth below are the details of the pre-Issue shareholding of our Promoter and members of our Promote Group as on the date of this Red Herring Prospectus

| Sr. No. | Name of Shareholder                         | Number of Equity Shares held | Percentage of the pre-Issue paid-up Equity Shares capital (%) |
|---------|---------------------------------------------|------------------------------|---------------------------------------------------------------|
| A.      | <b>Promoter</b>                             |                              |                                                               |
| 1.      | Saurabh Goyal                               | 3,499,979                    | 46.67                                                         |
|         | <b>Sub-total (A)</b>                        | <b>3,499,979</b>             | <b>46.67</b>                                                  |
| B.      | <b>Promoter Group (Other than Promoter)</b> |                              |                                                               |
| 1.      | Payal Goyal                                 | 3,499,979                    | 46.67                                                         |
| 2.      | Aryan Goyal                                 | 7                            | 0.00*                                                         |
| 3.      | Smita Goyal                                 | 7                            | 0.00*                                                         |
| 4.      | Nectar Biopharma Private Limited            | 21                           | 0.00*                                                         |
|         | <b>Sub-total (B)</b>                        | <b>3,500,014</b>             | <b>46.67</b>                                                  |
|         | <b>Total (A+B)</b>                          | <b>6,999,993</b>             | <b>93.33</b>                                                  |

\* Less than 0.01 per cent

### Summary of Restated Consolidated Financial Information

A summary of restated financial information as per the Restated Consolidated Financial Information is provided below:

| Particulars                                                    | For the period April 1, 2020 to September 30, 2020 | (in ₹ million, except Number of Equity Shares) |          |          |
|----------------------------------------------------------------|----------------------------------------------------|------------------------------------------------|----------|----------|
|                                                                |                                                    | Fiscal                                         |          |          |
|                                                                |                                                    | 2020                                           | 2019     | 2018     |
| Equity Share capital (A)                                       | 70.00                                              | 0.10                                           | 0.10     | 0.10     |
| Other Equity (B)                                               | 446.45                                             | 149.24                                         | 79.35    | 17.10    |
| Net worth (C=A+B)                                              | 516.45                                             | 149.34                                         | 79.45    | 17.20    |
| Total Income                                                   | 1,229.73                                           | 994.87                                         | 619.83   | 200.69   |
| Net Profit after tax                                           | 361.80                                             | 63.95                                          | 62.25    | 31.12    |
| Earnings per share (Basic)                                     | 51.69                                              | 9.14                                           | 8.89     | 4.45     |
| Earnings per share (Diluted)                                   | 51.69                                              | 9.14                                           | 8.89     | 4.45     |
| Number of Equity Shares outstanding as at period/ year end (D) | 7,000,000                                          | 10,000                                         | 10,000   | 10,000   |
| Net asset value per Equity Share (E=C/D)                       | 73.78                                              | 14,934.00                                      | 7,945.00 | 1,720.00 |
| Current Borrowings (F)                                         | 44.20                                              | 0.75                                           | -        | -        |
| Non-current Borrowings (excluding lease liabilities) (G)       | 35.97                                              | 90.74                                          | -        | -        |
| Total Borrowings (H=F+G)                                       | 80.17                                              | 91.49                                          | -        | -        |

For further details, see “Financial Statements” on page 155.

### Qualifications of the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information

Except as below our Statutory Auditors have not made any qualifications that have not been given effect to in the Restated Consolidated Financial Information:

| Period       | Particulars                                                                                 |
|--------------|---------------------------------------------------------------------------------------------|
| For the year | In addition to the audit opinion on the consolidated financial statements, the auditors are |

| Period               | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ended March 31, 2020 | required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 ("the CARO 2016 Order") issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 on the standalone financial statements as at and for the financial years ended 31 March 2018, 31 March 2019 and 31 March 2020 respectively. Certain statements/comments included in the CARO in the standalone financial statements, which do not require any adjustments in the Restated Consolidated Financial Information are reproduced below in respect of the financial statements presented. |

#### **For the year ended 31 March 2020**

##### **Clause (vii) (a) of CARO 2016 Order**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Employee's State Insurance, Goods and Services Tax ('GST'), Income-tax, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in few cases of Income Tax and GST during the year. Further, undisputed dues relating to Provident fund have not been regularly deposited with the appropriate authorities and there have been serious delays in a large number of cases.

| Particulars    | Period to which amount relates    | Amount (in ₹)* |
|----------------|-----------------------------------|----------------|
| Provident fund | 1 April 2019 to 30 September 2019 | 66,518         |

*\*Excluding interest and penalties as applicable.*

For further detail, see "Financial Statements" on page 155

#### **Summary of Outstanding Litigation**

A summary of outstanding legal proceedings involving our Company and our Directors as on the date of this Red Herring Prospectus is set forth in the table below:

| Nature of Cases                          | Number of Cases | Amount Involved (in ₹ million) |
|------------------------------------------|-----------------|--------------------------------|
| <b>Proceedings against our Company</b>   |                 |                                |
| Criminal                                 | Nil             | Nil                            |
| Tax                                      | Nil             | Nil                            |
| Other material pending litigation        | Nil             | Nil                            |
| <b>Proceeding by our Company</b>         |                 |                                |
| Criminal                                 | Nil             | Nil                            |
| Other material pending litigation        | Nil             | Nil                            |
| <b>Proceedings against our Directors</b> |                 |                                |
| Criminal                                 | Nil             | Nil                            |
| Tax                                      | Nil             | Nil                            |
| Other material pending litigation        | Nil             | Nil                            |
| <b>Proceedings by our Directors</b>      |                 |                                |
| Criminal                                 | Nil             | Nil                            |
| Other material pending litigation        | Nil             | Nil                            |
| <b>Proceedings against our Promoter</b>  |                 |                                |
| Criminal                                 | Nil             | Nil                            |
| Tax                                      | Nil             | Nil                            |
| Other material pending litigation        | Nil             | Nil                            |
| <b>Proceedings by our Promoter</b>       |                 |                                |
| Criminal                                 | Nil             | Nil                            |

| Nature of Cases                                           | Number of Cases | Amount Involved (in ₹ million) |
|-----------------------------------------------------------|-----------------|--------------------------------|
| Other material pending litigation                         | Nil             | Nil                            |
| <b>Proceedings against our Subsidiaries</b>               |                 |                                |
| Criminal                                                  | Nil             | Nil                            |
| Tax                                                       | Nil             | Nil                            |
| Other material pending litigation                         | Nil             | Nil                            |
| <b>Proceedings by our Subsidiaries</b>                    |                 |                                |
| Criminal                                                  | Nil             | Nil                            |
| Other material pending litigation                         | Nil             | Nil                            |
| <b>Proceedings involving our Group Companies</b>          |                 |                                |
| Material pending litigation involving our Group Companies | Nil             | Nil                            |

For further details on the outstanding litigation involving our Company and Directors, see “*Outstanding Litigation and Material Developments*” on page 245.

### Risk Factors

For details of the risks applicable to us, including our business, the industry in which we operate and our Equity Shares, see “*Risk Factors*” on page 25.

### Summary of Contingent Liabilities

As at September 30, 2020, our Restated Consolidated Financial Information do not disclose any contingent liabilities as per Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets. For further details on the contingent liabilities as per Ind AS 37, see “*Financial Statements*” beginning on page 155.

### Summary of related party transactions

Set forth below is a summary of related party transactions pre-elimination for the six months ended September 30, 2020 and last three financial years:

| (in ₹ million)                             |                                     |                                                    |                                   |                                   |                                   |  |
|--------------------------------------------|-------------------------------------|----------------------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--|
| Nature of transaction                      | Name of related party               | For the period April 1, 2020 to September 30, 2020 | For the year ended March 31, 2020 | For the year ended March 31, 2019 | For the year ended March 31, 2018 |  |
| Revenue from operations                    | Trumom Private Limited              | -                                                  | -                                 | 0.37                              | 1.42                              |  |
|                                            | Nectar Life Sciences Limited        | 0.04                                               | 9.51                              | 10.36                             | 10.66                             |  |
|                                            | Nureca Inc.                         | -                                                  | -                                 | -                                 | 0.37                              |  |
| Purchases of stock-in-trade                | Nectar Life Sciences Limited        | 111.82*                                            | 189.55                            | 404.07                            | 114.52                            |  |
|                                            | Nureca Inc.                         | -                                                  | 2.00                              | 0.37                              | -                                 |  |
| Reimbursement of expense paid by the group | Trumom Private Limited              | -                                                  | 0.04                              | -                                 | -                                 |  |
|                                            | Mirasan Private Limited             | 0.02                                               | -                                 | -                                 | -                                 |  |
|                                            | Nureca Healthcare Private Limited   | 0.02                                               | -                                 | -                                 | -                                 |  |
|                                            | Nureca Technologies Private Limited | 1.44                                               | -                                 | -                                 | -                                 |  |
| Borrowings taken                           | Payal Goyal                         | -                                                  | 30.18                             | -                                 | -                                 |  |
|                                            | Saurabh Goyal                       | -                                                  | 22.21                             | -                                 | -                                 |  |
|                                            | Raman Goyal                         | -                                                  | 43.18                             | -                                 | -                                 |  |
|                                            | Smita Goyal                         | -                                                  | 2.68                              | -                                 | -                                 |  |
|                                            | Trumom Private Limited              | 1.46                                               | -                                 | -                                 | -                                 |  |
|                                            | Nectar Biopharma Private            | -                                                  | 0.75                              | -                                 | -                                 |  |



| Nature of transaction                    | Name of related party            | For the period April 1, 2020 to September 30, 2020 | For the year ended March 31, 2020 | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|------------------------------------------|----------------------------------|----------------------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
|                                          | Limited                          |                                                    |                                   |                                   |                                   |
| Borrowings repaid                        | Payal Goyal                      | 19.89                                              | 2.50                              | -                                 | -                                 |
|                                          | Saurabh Goyal                    | 17.21                                              | 5.00                              | -                                 | -                                 |
|                                          | Raman Goyal                      | 15.00                                              | -                                 | -                                 | -                                 |
|                                          | Smita Goyal                      | 2.68                                               | -                                 | -                                 | -                                 |
| Advance received against supply of goods | Trumom Private Limited           | -                                                  | 1.90                              | -                                 | -                                 |
| Interest accrued during the period/ year | Payal Goyal                      | 0.42                                               | 0.17                              | -                                 | -                                 |
|                                          | Saurabh Goyal                    | 0.08                                               | 0.14                              | -                                 | -                                 |
|                                          | Raman Goyal                      | 1.73                                               | 0.27                              | -                                 | -                                 |
|                                          | Smita Goyal                      | 0.03                                               | 0.01                              | -                                 | -                                 |
| Managerial remuneration                  | Saurabh Goyal                    | 1.99                                               | 6.90                              | -                                 | -                                 |
| Salary to KMPs and their relatives       | Payal Goyal                      | 1.18                                               | 3.00                              | 1.20                              | 1.20                              |
|                                          | Smita Goyal                      | 0.44                                               | 3.00                              | 1.20                              | 1.20                              |
|                                          | Aryan Goyal                      | 1.25                                               | 6.90                              | -                                 | -                                 |
|                                          | Gurvikram Singh                  | 0.05                                               | -                                 | -                                 | -                                 |
| Commission Paid                          | Nectar Biopharma Private Limited | 18.68                                              | -                                 | -                                 | -                                 |
| Business support services                | Nectar Biopharma Private Limited | 115.28                                             | -                                 | -                                 | -                                 |
| Shares cancelled during the period/ year | Nectar Biopharma Private Limited | (0.10)                                             | -                                 | -                                 | -                                 |
| Share allotted during the period/ year   | Saurabh Goyal                    | 35.00                                              | -                                 | -                                 | -                                 |
|                                          | Payal Goyal                      | 35.00                                              | -                                 | -                                 | -                                 |

\* During the period ended September 30, 2020, purchase of stock-in-trade from Nectar Life Sciences Limited of ₹111.82 million (March 31, 2020: ₹ Nil and April 1, 2019: ₹ Nil) were made through the Company's agent Nectar Biopharma Private Limited. Accordingly, the balance outstanding towards Nectar Biopharma Private Limited as at September 30, 2020 includes ₹19.68 million (March 31, 2020: ₹ Nil and April 1, 2019: ₹ Nil) further payable towards Nectar Life Sciences Limited for the aforesaid purchase of stock-in-trade.

For further details, see “Financial Statements” beginning on page 155.

### Financing Arrangements

None of our Promoter, members of the Promoter Group, Directors or their relatives has entered into any financing arrangements to finance or have financed the purchase by any other person of the Equity Shares other than in the normal course of business of the financing entity during the six months preceding the date of this Red Herring Prospectus.

### Weighted average price at which the Equity Shares were acquired by our Promoter in the last one year

The weighted average price at which the Equity Shares were acquired by our Promoter in the last one year preceding the date of this Red Herring Prospectus is provided below:

| Name of Promoter* | No. of Equity Shares acquired | Weighted average price per Equity Share (in ₹) |
|-------------------|-------------------------------|------------------------------------------------|
| Saurabh Goyal     | 3,499,979                     | Nil                                            |

\*As certified by M/s Krishan K Mittal & Co., Chartered Accountants, pursuant to certificate dated November 10,

2020.

### Average cost of acquisition of the Equity Shares by our Promoter

The average cost of acquisition per Equity Share by our Promoter as on the date of this Red Herring Prospectus is:

| Name          | Number of Equity Shares held | Average cost of acquisition per Equity Share (in ₹) |
|---------------|------------------------------|-----------------------------------------------------|
| Saurabh Goyal | 3,499,979                    | Nil                                                 |

\* As certified by M/s Krishan K Mittal & Co., Chartered Accountants, pursuant to certificate dated November 10, 2020.

### Details of pre-IPO Placement

Our Company is not contemplating any Pre-IPO Placement.

### Issue of Equity Shares for consideration other than cash in the last one year

Except as set out below, our Company has not issued Equity Shares for consideration other than cash in the last one year preceding the date of this Red Herring Prospectus:

| Date of allotment/when fully paid up | Number of Equity Shares | Face value (₹) | Name of allottee                                                                                                                  | No of Equity Shares allotted                     | Reasons for allotment                           | Benefits accrued to our Company                                                                                                        |
|--------------------------------------|-------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| June 10, 2020                        | 1,000,000               | 10             | Payal Goyal<br>Saurabh Goyal                                                                                                      | 500,000<br>500,000                               | Allotment pursuant to the Scheme of Arrangement | Please see “History and Certain Corporate Matters – Scheme of Arrangement under section 230 and 234 of the Companies Act” on page 120. |
| September 3, 2020                    | 6,000,000               | 10             | Payal Goyal<br>Saurabh Goyal<br>Nectar Biopharma Private Limited<br>Aryan Goyal<br>Smita Goyal<br>Raman Goyal<br>Rajneesh Kaushal | 2,999,982<br>2,999,982<br>12<br>6<br>6<br>6<br>6 | Bonus issue in the ratio of 6:1                 | -                                                                                                                                      |

For further details see, “Capital Structure” on page 61.

### Split or consolidation of Equity Shares in the last one year

There has been no split or consolidation of the Equity Shares in the one year preceding the date of this Red Herring Prospectus.

## SECTION II - RISK FACTORS

*Any investment in the Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In addition, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. We have described the risk and uncertainties that our management believes are material, but these risks and uncertainties are not the only risks we face. If any one or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occurs, our business, prospects, results of operations and financial condition could suffer, the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. In making an investment decision, prospective investors must rely on their own examinations of us on a consolidated basis and the terms of the Issue, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. For further information, see “Our Business”, “Industry Overview”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 103, 82, and 210, respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.*

*This Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. Please see “Forward Looking Statements” on page 17. Unless otherwise indicated, industry and market data used in this section has been derived from the Frost & Sullivan Report prepared and released by Frost & Sullivan and commissioned by us in connection with the Issue. Neither we, nor the BRLM, nor any other person connected with the Issue has independently verified third party statistical, financial and other industry information in this report. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Frost & Sullivan Report and included herein with respect to any particular year refers to such information for the relevant fiscal year. For further details, please see “Industry Overview” on page 82.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the 12 months ended March 31 of that year.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Information included in this Red Herring Prospectus. For further information, see “Financial Information” on page 155.*

*In this section, unless the context otherwise requires, a reference to the “Company” is a reference to Nureca Limited on a standalone basis, while any reference to “we”, “us” or “our” refers to Nureca Limited and its Subsidiaries, as applicable in the relevant fiscal period, on a consolidated basis.*

### **Risks Related to our Company and our Industry**

- 1. We depend on third parties to manufacture our products. If these organizations are unable or unwilling to manufacture our products, or if these organizations fail to comply with FDA or other applicable regulations or otherwise fail to meet our requirements, our business will be harmed.***

We obtain all of our products from third parties. Generally, we do not have long-term contracts with our vendors committing them to supply products to us. If our vendors are unable to manufacture our products in sufficient quantities and on a consistent basis, or if it becomes unwilling to produce those equipment’s for us, we may not be able to supply our customers in a timely manner. For oximeter, thermometer, nebulizer, rehabilitation products and blood glucose monitoring device, we have a single-source finished goods vendor and do not have a long-term supply contract. Until recently, we purchased our products from few local vendors under our own brand name. Presently, we majorly outsource the manufacturing of our products to certain foreign vendors and as well as certain vendors in India under our own brand name. If we were to experience a supply disruption, it could take an extended period of time to

find and qualify an alternate vendor. Further, the manufacturing facilities and processes used by our vendors must be approved by the FDA and their respective regulators, where applicable, before the healthcare products manufactured by such vendor can be sold. After approval, vendors must meet certain ongoing regulatory requirements for product testing and stability of our commercially marketed products. We do not control the manufacturing processes of our vendors and depend on them to comply with current good manufacturing practices (“CGMP”), and obtain and maintain regulatory approval. If approval for a vendor is not received or ongoing testing does not continue to meet approved standards and approval is withdrawn, the vendor’s production would be delayed or suspended, which could adversely affect our products commercialization efforts. In the event that any of our third-party vendors were to become unable or unwilling to continue to provide the products in our required volumes, we would need to identify and obtain acceptable replacement sources on a timely basis. However, our Company has, in the past, not faced instances of business disruption and the subsequent impact of such business disruption did not have a material adverse effect on the results of operations or financial of the Company, except due to COVID 19 pandemic wherein our operations declined beginning in April 2020. For details, please refer to “*Risk Factor - Our business has been affected by the COVID-19 pandemic and may continue to affect our business, results of operations and financial condition*”. There is no guarantee that we would be able to obtain such alternative sources of supply on a timely basis, if at all. An extended interruption in the supply of our products, especially any high sales volume product, could have a material adverse effect on our results of operations.

Other risks associated with our reliance on third parties to manufacture these products include, reliance on the third party for regulatory compliance and quality assurance, misappropriation of the Company’s intellectual property, limited ability to manage our inventory. Moreover, if any of our third party manufacturers suffer any damage to facilities, lose benefits under material agreements, experience power outages, encounter financial difficulties, are unable to secure necessary raw materials from their suppliers or suffer any other reduction in efficiency, the Company may experience significant business disruption. In the event of any such disruption, the Company would need to seek and source other qualified third party manufacturers, likely resulting in further delays and increased costs which could affect our business adversely.

**2. *We depend heavily on our channel partners such as third party e-commerce players, distributors and retailers and failure to manage the distribution network efficiently will adversely affect our performance.***

We are dependent on limited number of our channel partners such as third party e-commerce players, distributors and retailers for a substantial portion of our revenues. We are dependent on our channel partners for the distribution of our products and our ability to expand and grow our product reach significantly depends on the reach and effective management of our distribution network. We also utilise online marketplaces and e-commerce systems to increase our products market penetration and reach. A reduction in such limited number of our channel partners such as distributors and retailers or the loss of major distributors could result in a significant reduction in our revenue. Factors that may result in a loss of a client include service of our healthcare products, its performance, reduction in budgets due to macroeconomic factors or otherwise, shift in policies and political or economic factors or changes in their outsourcing strategies. We face significant competition in the health care products we provide to our channel partners such as third party e-commerce players, distributors and retailers and we are typically not an exclusive suppliers agreement to our large our channel partners such as third party e-commerce players, distributors and retailers. These factors may not be predictable or under our control. Significant pricing or margin pressure exerted by our channel partners such as third party e-commerce players, distributors and retailers could also adversely affect our business, financial condition and results of operations. The quantum of healthcare devices we supply for our channel partners such as third party e-commerce players, distributors and retailers may vary from year to year. Thus, revenues generated from a particular our channel partners such as third party e-commerce players, distributors and retailers during a period may not be the same in any subsequent periods.

**3. *Our Promoter, members of the Promoter Group and some of our Directors have been subject to a ‘search and seizure’ operation by the income-tax department. Any adverse determination by the tax authorities in this matter could increase the tax liability and which may result in taxation and other proceedings against such individuals.***

Search and seizure operations under section 132 of the Income Tax Act, 1961 / Section 37 A of the Wealth Tax Act, 1957 were conducted at residences of our Promoter Saurabh Goyal, members of the Promoter Group Aryan Goyal, Payal Goyal and Smita Goyal by officials from the income tax department from December 13, 2020 to December 15,

2020 in the case of Nectar Lifesciences Limited alongside Sanjiv Goyal, Raman Goyal, Aryan Goyal, Saurabh Goyal, Payal Goyal and Smita Goyal. Search and seizure operations were also conducted on residence of one of our Director Rajinder Sharma by officials from the income tax department on December 13, 2020 in the case of Nectar Lifesciences Limited and Avensis Exports Private Limited. During the course of the search and seizure operations, the income tax authorities impounded certain items such as cash, jewellery, ornaments and mobile set from the premises of such individuals. However, as on date of this Red Herring Prospectus, none of the individuals have received further communication from the income tax authorities, there can be no assurance as to whether such individuals will receive any notice from the income tax authorities in relation to the aforementioned search and seizure operations. Our Promoter, Saurabh Goyal has disassociated himself from Sanjiv Goyal and Raman Goyal pursuant to a family partition deed entered with Sanjiv Goyal along with his wife Raman Goyal on September 10, 2020. Further to the disassociation, Sanjiv Goyal and Raman Goyal and any entity in which Sanjiv Goyal and Raman Goyal may have an interest are not included in the Promoter Group of our Company. For further information, see “*Our Promoter and Promoter Group*” on page 143. Further, we had submitted an exemption application dated November 10, 2020 with SEBI seeking an exemption from identifying Nectar Life Sciences Limited as the ‘group companies’ of our Company, as our Promoter has disassociated with Nectar Life Sciences Limited pursuant to the Family Partition Deed dated September 10, 2020 and our Promoter, Directors and Key Managerial Personnel are not connected with Sanjiv Goyal and his wife Raman Goyal in any manner. Subsequently, such exemption was granted to us by SEBI vide its letter bearing number SEBI/HO/CFD/DIL1/YJ/KBOW/P/2021/1/582 dated January 11, 2021. Any adverse determination by the tax authorities in this matter could increase the tax liability and which may result in taxation and other proceedings against such individuals and may also affect the reputation of our Company. For details, please see section entitled “*Outstanding Litigation and Material Developments*” on page 245.

**4. *We are dependent on the maintenance of existing product lines and service relationships, market acceptance of new product and service introductions and innovations for revenue and earnings growth.***

The markets in which we operate are highly competitive in terms of pricing, product and service quality, product development and introduction time, customer service, financing terms and shifts in market demands, and competitors are increasingly offering services for our existing product portfolio. Our businesses are also subject to technological change and require us to continually attract and retain skilled talent. Our long-term operating results and competitive position depend substantially upon our ability to continually develop, introduce, and market new and innovative products, services and platforms, to modify existing products and services, to customize products and services, to anticipate and respond to market and technological changes driven by trends such as increased digitization or automation, or by developments that present both risks and opportunities for our businesses. A failure to be adequately market-based, or to accurately forecast customer demand and industry trends, may adversely affect our delivery of products, services and outcomes in line with our projected financial performance or cost estimates, and ultimately may result in excess costs, build-up of inventory that becomes obsolete, lower profit margins and an erosion of our competitive position.

The introduction of innovative and disruptive technologies in the markets in which we operate can also pose risks in the form of new competitors, substitutions of existing products, services or solutions, niche players, new business models and competitors that are faster to market with new products or services than we are. Our capacity to invest in research and development efforts to pursue advancement in a wide range of technologies, products and services depends on the financial resources that we have available for such investment relative to other capital allocation priorities, and under-investment could lead to the loss of market share for our products and services. The amounts that we do invest in research and development divert resources from other potential investments in our businesses, and our efforts may not lead to the development of new technologies or products on a timely basis or meet the needs of our customers as fully as competitive offerings.

**5. *We have experienced negative cash flows, and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.***

We have experienced negative net cash flows for the periods indicated, the details of which are provided below:

(in ₹ million)

| Particulars                                                     | For the period April 1, 2020 to September 30, 2020 | Fiscal March 31, 2020 | Fiscal March 31, 2019 | Fiscal March 31, 2018 |
|-----------------------------------------------------------------|----------------------------------------------------|-----------------------|-----------------------|-----------------------|
| Net cash generated from / (used in) operating activities (A)    | 562.53                                             | (79.23)               | 3.06                  | 0.99                  |
| Net cash used in investing activities (B)                       | (444.24)                                           | (3.94)                | (1.19)                | (0.18)                |
| Net cash generated from financing activities (C)                | (10.41)                                            | 82.76                 | (1.44)                | (0.58)                |
| Net increase / (decrease) in cash and cash equivalent (A+B+C=D) | 107.88                                             | (0.41)                | 0.43                  | 0.23                  |

For further information on the negative cash flows, see “*Management Discussion and Analysis of Financial Condition and Result of Operations*” on page 210. We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

**6. *Certain unsecured loans have been availed by our Company which may be recalled by lenders at any time.***

The unsecured loans taken by our Company may be recalled by the respective lenders at any time. Any failure to service such indebtedness, or otherwise perform any obligations under such financing agreements may lead to a termination of one or more of our credit facilities or incur penalties and acceleration of payments under such credit facilities, which may adversely affect our Company. For further information with respect to the unsecured loans availed by our Company, see “*Financial Indebtedness*” and “*Management Discussion and Analysis of Financial Condition and Result of Operations – Financial Indebtedness*” on page 209 and 210, respectively.

**7. *The auditors’ report on our financial statements contain certain emphasis of matters and qualification which could have an impact on our financial performance.***

The auditors’ report on our Restated Consolidated Financial Information contain certain emphasis of matters relating to Scheme of Arrangement pursuant to which our Company has accounted for the assets and liabilities so transferred at the book value from Nectar Biopharma Private Limited along with the portion of retained earnings pertaining to the Specified Undertaking (as defined thereunder). Further, the auditors’ report on our Restated Consolidated Financial Information contain qualification relating to Companies (Auditor’s Report) Order, 2016 (“the CARO 2016 Order”) issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 on the standalone financial statements as at and for the financial years ended 31 March 2018, 31 March 2019 and 31 March 2020, respectively. There is no assurance that our auditors’ reports for any future fiscal periods will not contain qualifications or emphasis of matters or that such emphasis of matters will not require any adjustment in our financial statements for such future periods or otherwise affect our results of operations and financial condition in such future fiscal periods.

For further information in relation to certain emphasis of matters and qualification, see “*Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Summary of Reservations, Qualifications, Adverse Remarks and Emphasis of Matter of Auditors*” on page 155 and 210 respectively.

**8. *Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency, which may affect our business and results of operations.***

We intend to use the Net Proceeds for the purposes described in “*Objects of the Issue*” beginning on page 68. Our funding requirements are based on internal management estimates and our current business plans and has not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies. We have relied on past expenditure in estimating utilisation of the Net Proceeds for our incremental working capital requirements. As a consequence of any increased costs, our actual deployment of funds may be higher than our management estimates and may cause additional burden on our finance plans, as a result of which, our business, financial condition, results of operations and cash flows could be materially and adversely impacted. The deployment of the Net Proceeds will

be at the discretion of our Board. Furthermore, in the absence of independent appraisal, or the requirement for us to appoint a monitoring agency in terms of the SEBI ICDR Regulations, we may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control. We may have to revise our expenditure and funding requirements as a result of fluctuations in exchange rates, variations in costs, estimates, quotations or other external factors, which may not be within the control of our management.

Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of proceeds. If we are unable to deploy the proceeds of the Issue in a timely or an efficient manner, it may affect our business and results of operations.

Furthermore, we may need to vary the objects of the Issue due to several factors or circumstances including competitive and dynamic market conditions, variation in cost structures, changes in estimates due to delays, which may be beyond our control. Pursuant to Section 27 of the Companies Act, 2013, any variation in the objects of the Issue would require a special resolution of our shareholders, and our Promoter will be required to provide an exit opportunity to our shareholders who do not agree to such variation. If our shareholders exercise such an exit option, our share price may be adversely affected.

***9. If we are unable to implement our marketing strategy in a cost-effective timely manner or at all, then our business, results of operations and financial condition would be adversely affected.***

In order to grow our business, we must continue to attract new clients in a cost-effective manner. We use a variety of marketing channels to promote our products and services. If the costs of the marketing channels we use increase dramatically, then we may choose to use alternative and less expensive channels, which may not be as effective as the channels we currently use. As we add to or change the mix of our marketing strategies, we may need to expand into more expensive channels than those we are currently in, which could adversely affect our business, results of operations and financial condition. We will incur marketing expenses before we are able to recognize any revenue that the marketing initiatives may generate, and these expenses may not result in increased revenue or brand awareness. Our Company undertakes numerous marketing initiatives to promote its brand image through brand-awareness campaigns, social media and partnering with celebrities to serve as brand ambassadors. Further, our Company intends to continue to enhance the brand recall of its products through use of digital and television advertisements and advertisement on e-commerce platforms, as well as marketing through traditional channels such as outdoor advertising for its product. During the six months period ended September 30, 2020 and Fiscal 2020, 2019 and 2018 our advertising expenses were ₹20.13 million, ₹31.31 million, ₹23.12 million and ₹2.49 million, respectively. If we are unable to maintain effective marketing programs, then our ability to attract new clients could be adversely affected, our advertising and marketing expenses could increase substantially and our results of operations may be adversely affected.

***10. We may not be able to correctly assess the demand for our products, which may adversely affect our business, financial condition and results of operations.***

Manufacturing and distribution processes of our healthcare devices require us to anticipate the demand for our products based on the feedback received from our own marketing personnel, distributors and partners. Accurate assessment of market demand requires significant investment in our sales and marketing network and training of marketing personnel. There is no guarantee that our estimate of market demand in India or foreign countries in which we sell our products will be accurate. In the event that we overestimate the demand for our products, we may have expended resources in manufacturing excess products and paid taxes, insurance costs, distribution expenses, storage and warehousing and other related expenditures. In the event of excess production, we might have to bear the cost of destruction of these goods. In the event that we underestimate the market demand or fail to order a sufficient volume of supplies and input materials from our third-party vendors, we may be unable to meet customer demand and lose out on sales opportunities that our competitors may capitalise on. Similarly, if we fail to manage investment levels appropriately, we may be unable to meet demand, which could lead to a loss of interest and sales in our products. Failure to meet customer demand may also occur because constant supply from our third party manufacturers in time bound manner, or we have an inaccurate level of inventory holding. Accordingly, any incorrect assessment of the demand for our products may adversely affect our business, financial condition and results of operations.

**11. *We have significant working capital requirements for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.***

Our business requires a substantial amount of working capital, primarily to finance our inventory. Moreover, we may need working capital for the expansion of our business. As per our settled business terms, we require to pay to our vendors the part amount of consideration at the time of placing the order and part the amount of consideration after the delivery of our consignment, as a result, significant amounts of our working capital are often required to finance the purchase of our products from our vendors. Majority of our working capital requirements in the ordinary course of our business are met from our internal accruals and equity. Further, we are also required to meet the increasing demand and for achieving the same, adequate stocks have to be maintained which requires sufficient working capital. Total income of our Company increased by 208.85% from ₹200.69 million in Fiscal 2018 to ₹619.83 million during the Fiscal 2019. Further, the total income of our Company increased by 60.51% from ₹619.83 million in Fiscal 2019 to ₹994.87 million during the Fiscal 2020. The revenue from operations has grown at a CAGR of 122.68% during Fiscal 2018 to 2020. Our Company is expected to continue the growth trajectory going forward and is on track to achieve the projections for Fiscal 2021. The working capital utilised for Fiscal 2020 is ₹236.00 million. Further, while disclosing the existing working capital requirements for basis of estimation of working capital, we have considered the audited financial statements for Fiscal 2020, since the audited financial statements for Fiscal 2020 and for Fiscal 2019 were not comparable due to the Scheme of Arrangement. For further details, see “*Objects of the Issue – Funding incremental working capital requirements of the Company*” on page 69. Also see, “*History and Certain Corporate Matter - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets in the last ten years - Scheme of Arrangement under Section 230 to 232 of the Companies Act*” on page 123 for further details of the Scheme of Arrangement. In these times where the world is facing a health crisis due to the ongoing pandemic, the home healthcare industry is expecting an increase in demand which would directly increase the demand of our products due to their usage. In the event, we are unable to source the required amount of working capital for addressing such increased demand of our products, we might not be able to efficiently satisfy the demand of our customers. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in the expenses will not affect the price of our products. Any delay or default in processing our payments to our vendors in timely manner for the products, which they have manufactured on our behalf, our vendors shall choose to terminate their arrangements with our Company. Further, 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.

Our inability to obtain or maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, to meet our working capital requirements or to pay our debts, could adversely affect our financial condition and results of operations.

**12. *We have a limited operating and financial history, which makes it difficult to accurately assess our future growth prospects.***

Our Company was incorporated on November 2, 2016 and commenced operations in Fiscal 2017. For further information, see “*History and Certain Corporate Matters*” on page 120. Consequently, our financial statements, including the details of our profit and loss account, as set out in the section “*Financial Statements*” on page 155, are available only from Fiscal 2018. As such, we have a very limited operating history, and our success is dependent on our ability to effectively implement our businesses. Our limited financial and operating history may not provide an accurate basis for investors to understand our business and financial history for comparative analysis and evaluate our future business and financial prospects. Further, until Fiscal 2019, our Company did not have any subsidiaries, and no consolidated financial statements were prepared. Therefore, our Restated Consolidated Financial Information relating to such fiscal periods are not comparable to each other. Assessing the future prospects of our business is challenging in light of both known and unknown risks and difficulties we may encounter, and could place significant demands on the management team and our other resources. We will be subject to all the business risks and uncertainties associated with setting up any new business venture, which may adversely affect our business, prospects, results of operations and financial condition.



**13. *If we are unable to obtain, maintain and enforce intellectual property protection for our technology and solutions, others may be able to develop and commercialize technology and solutions substantially similar to ours, and our ability to successfully commercialize our technology and solutions may be compromised.***

Our business depends on proprietary technology and content, including software, processes, databases, confidential information and know-how, the protection of which is crucial to the success of our business. While, we have received 66 trademark, 6 copyrights and 92 designs registrations and applied for 12 trademark registrations, we primarily rely on a combination of trademark, trade-secret and copyright laws, confidentiality procedures, cyber security practices and contractual provisions to protect the intellectual property rights of our proprietary technology and content. We may, over time, increase our investment in protecting our intellectual property through additional trademark, copyright and other intellectual property filings, which could be expensive and time-consuming. We may not be able to obtain protection for our trademarks, copyrights, designs and other intellectual property and even if we are successful in obtaining effective trademark, copyright and design protection, it is expensive to maintain these rights and the costs of defending our rights could be substantial. Moreover, our failure to develop and properly manage new intellectual property could hurt our market position and business opportunities. With respect to the trademarks that have been applied for and/or objected or opposed, our Company may not be able to prevent infringement of its trademarks and a passing off action may not provide sufficient protection until such time that these registrations are granted and it is possible that third parties may copy or otherwise infringe on the rights of our Company, which may have an adverse effect on its business, results of operations, cash flows and financial condition. In the event that there is an adverse claim or judgment passed against our Company in the future in relation to the trademarks, our Company may be unable to use the brand name or derive the benefits associated with the goodwill of the brand name, which could have a material adverse effect on our business, financial condition and results of operations. For further details on our trademark, copyright and design registrations, please see “*Government and Other Approvals*” on page 250.

In addition, these measures may not be sufficient to offer us meaningful protection or provide us with any competitive advantages. If we are unable to adequately protect our intellectual property and other proprietary rights, our competitive position and our business could be harmed, as third parties may be able to commercialize and use technologies and software solutions that are substantially the same as ours to compete with us without incurring the development and licensing costs that we have incurred. Any of our owned or licensed intellectual property rights could be challenged, invalidated, circumvented, infringed, misappropriated or violated, our trade secrets and other confidential information could be disclosed in an unauthorized manner to third parties, or our intellectual property rights may not be sufficient to permit us to take advantage of current market trends or to otherwise provide us with competitive advantages, which could result in costly redesign efforts, business disruptions, discontinuance of some of our offerings or other competitive harm.

**14. *Our products and services are highly sophisticated and specialized, and a major product failure or similar event could adversely affect our business, reputation, financial position and results of operations.***

We produce highly sophisticated products and provide specialized services for both our and third-party products that incorporate or use complex or leading-edge technology, including both hardware and software. Many of our products and services involve complex industrial machinery, and accordingly the impact of a product failure or similar event could be significant. For further details of our products portfolio, see “*Our Business – Our Products Portfolio*” on page 108. In particular, actual or perceived design or production issues related to new product introductions or relatively new product lines can result in significant reputational harm to our businesses, in addition to direct warranty, maintenance and other costs that may arise, and a more significant product issue resulting in widespread outages, a fleet grounding or similar systemic consequences could have a material adverse effect on our business, financial position and results of operations. However, our Company, in the past, has not faced instances of operational failure or product failure, and hence there is no subsequent impact of such operational failure or product failure on the results of operations or financial condition of our Company.

While we have built operational processes to ensure that our product design, manufacture, performance and servicing meet rigorous quality standards, there can be no assurance that we or our customers or other third parties will not experience operational failure or product failures and other problems, including through manufacturing or design defects, process or other failures of contractors or third-party vendors, that could result in potential product, safety, regulatory or environmental risks.

***15. If we are unable to maintain and enhance our brand or fail to cost-effectively develop widespread brand awareness and maintain our reputation, or if we fail to achieve and maintain market acceptance for our healthcare services or any negative publicity, our business could suffer.***

We believe that the recognition and reputation of our “Dr. Trust” brand, “Dr. Physio” brand and “Trumom” brand identities and increasing the market awareness about us. We believe that developing and maintaining widespread awareness of our brand and maintaining our reputation for providing access to high quality and efficient health care in a cost-effective manner is critical to attracting new customers and enterprise clients and maintaining existing customers. Our business and revenue are heavily reliant on growing and maintaining our customer base.

Many factors, some of which are beyond our control, are important to maintaining and enhancing our brand. These factors include our ability to:

- maintain the popularity, attractiveness and quality of the products we offer;
- maintain or improve consumers’ satisfaction with our products; and
- increase brand awareness through investment in brand building initiatives, including through education programs and marketing activities.

Our consumers that use and recommend our products have come to expect a high level of efficacy and quality from our products, and our failure to deliver on that expectation could adversely impact our brand and reputation. In particular, from time to time we plan on launching new healthcare products, in both our existing and in new complementary categories, and if any of those services or products does not meet our standards for quality and performance or consumers’ subjective expectations, our brand reputation and the sales of our existing products may also be impacted.

In addition, we have a growing number of strategic relationships with health systems and health plans, or collectively, health networks. Market acceptance of our solutions and services and member acquisition depends on educating people, as well as enterprise clients and health networks, as to the distinct features, ease-of-use, positive lifestyle impact, cost savings, quality, and other perceived benefits of our solutions and services as compared to alternative avenues for health care. In particular, market acceptance is highly dependent on our ability to sufficiently saturate a particular geographic area with medical offices to provide services to local customers.

The level of saturation required depends on the needs of the local market and the healthcare preferences of the customers in that market, among other things. Further, we rely on word of mouth to spread awareness of our solutions and services, which in turn is dependent on members relaying positive experiences with our solutions, services and providers. If we are not successful in demonstrating to existing and potential customers and enterprise clients the benefits of our solutions and services, if we are not able to sufficiently saturate a market with medical offices in convenient locations for members, or if we are not able to achieve the support of enterprise clients, health networks, healthcare providers and insurance carriers for our solutions and services, we could experience lower than expected sales of new customers. Further, the loss or dissatisfaction of any customers may substantially harm our brand and reputation, inhibit widespread adoption of our solutions and services, reduce our revenue from enterprise clients and health networks, and impair our ability to attract new customers and maintain existing customers. Product quality issues, real or imagined, or allegations of product defects, even when false or unfounded, could tarnish the image of the affected brands and may cause consumers to choose other products. Many factors, some of which are beyond our control, are important to maintaining and enhancing our brands, including maintaining or improving consumer satisfaction and the popularity of our products and increasing brand awareness through various brand building initiatives such as advertising media, including digital marketing, advertisement on e-commerce platform, social media, print and electronic media. Any negative publicity regarding us, our brands or our products, including those arising from concerns regarding quality, or any other event affecting product or service quality or otherwise, could adversely affect our reputation, results of operations and financial condition.

The promotion of our brand also requires us to make substantial expenditures, and we anticipate that these expenditures will increase as our market becomes more competitive and as we expand into new markets. To the extent that these activities increase revenue, this revenue still may not be enough to offset the increased expenses we incur. If we do not successfully maintain and enhance our brand, then our business may not grow, we may see our pricing

power reduced relative to competitors and we may lose clients, all of which would adversely affect our business, results of operations and financial condition.

***16. The availability of look-alikes, counterfeit healthcare devices, primarily in our domestic market, manufactured by other companies and passed off as our products, could adversely affect our goodwill and results of operations.***

We are exposed to the risk that entities in India and elsewhere could pass off their products as ours by imitating our brand name, packaging material and attempting to create counterfeit healthcare devices, including spurious or pirated products. For example, certain entities could imitate our brand name, packaging material or attempt to create lookalike products. Similarly, we may be unable to protect our trade secrets, including product specifications, which if obtained by counterfeiters, could be used to create products that are substantially similar to ours. This would not only reduce our market share due to replacement of demand for our products, whereby we may not be able to recover our initial development costs or experience loss in revenues but could also harm the reputation of our brands. The measures we take to protect our brands and other intellectual property include relying on Indian laws and initiating legal proceedings, may not be adequate to prevent unauthorised use of them by third parties. During the past three years prior to the date of this Red Herring Prospectus, there have been incidents of counterfeit products. For instance, our Company has encountered incidences of counterfeit goods, where our Company has issued legal notices in relation to selling of counterfeit products by the third parties. However, our Company has not lodge any first information report or police complaint against such instances and there were no significant impact of such proliferation of unauthorized copies of the products of our Company on its reputation, business, financial condition and results of operations. Detecting and protecting against the unauthorised use of our products, technology and proprietary rights is expensive, difficult and, in some cases, impossible. The proliferation of unauthorized copies of our products, and the time lost in defending claims and complaints about spurious products could decrease the revenue we receive from our products and have a material adverse effect on our reputation, business, financial condition and results of operations.

***17. We may fail to invest in our brand efficiently or conduct our marketing activities effectively.***

We incur significant expenses on a variety of different brand investment and marketing efforts designed to expand our brand recognition. We also aim to increase sales of our products, ranging from print and electronic advertising as well as digital advertising and social media outreach, respectively. Our brand investment and marketing activities may not be effective with customers and may not result in the levels of sales that we anticipate. In addition, short term adjustments in our level of brand investment may have a long term impact on our brand reputation and ultimately, our results of operations.

While brand investment is a key component of reinforcing the relevance of our brand, we view brand investment as a discretionary expenditure and may vary the level of brand investment from time to time. Our core approach to marketing is an influence and advocacy model that relies on word of mouth as well as endorsement from professionals, brand ambassadors and our customers. Failure to allocate appropriate resources to brand investment, to refine our existing marketing approach or to introduce new marketing approaches or use new and emerging marketing channels in an effective manner could reduce our market share, cause our revenue to decline and negatively impact our profitability. Additionally, if our competitors increase their spending on marketing and promotions, our marketing or promotions could become less effective than those of our competitors, and we could experience a material adverse effect on our business, financial condition and results of operations.

***18. We face intense competition and may not be able to keep pace with the rapid technological changes in the health product devices industry.***

The home healthcare market is intensely competitive and is characterized by extensive research and development and rapid technological change. Our customers consider many factors when choosing suppliers, including product reliability, clinical outcomes, breadth of product portfolio, price and product services provided by the manufacturer, product availability and market share can shift as a result of technological innovation and other business factors. Major shifts in industry market share have occurred in connection with product problems, physician advisories and safety alerts, reflecting the importance of product quality in the medical health product industry, and any quality problems with our processes, goods and services could harm our reputation for producing high-quality products and erode our

competitive advantage, sales and market share. Our competitors range from small start-up companies to larger companies which have significantly greater resources and broader product offerings than us.

In addition, we expect that competition will continue to intensify with increasing price competition as a result of managed care, consolidation among healthcare providers, increased competition. Product introductions or enhancements by competitors which have advanced technology, better features or lower pricing may make our products or proposed products obsolete or less competitive. As a result, we will be required to devote continued efforts and financial resources to bring our products under development to market, enhance our existing products and develop new products for the medical marketplace. If we fail to develop new products, enhance existing products or compete effectively, our business, financial condition and results of operations will be adversely affected.

***19. We are subject to stringent domestic and foreign applicable regulation and any adverse regulatory action may materially adversely affect our financial condition and business operations.***

We are subject to rigorous regulation by the FDA and numerous other state and central governmental authorities. To varying degrees, each of these authorities monitors and enforces our compliance with laws and regulations governing the development, testing, clinical study, manufacturing, labelling, packaging, marketing and distribution of our healthcare devices. These laws and regulations are subject to change and to evolving interpretations which could increase costs, prevent or delay future device clearance or approvals, or otherwise adversely affect our ability to market currently cleared or approved devices. The process of obtaining marketing approval or clearance from the FDA, state and central bodies for new products, or for enhancements or modifications to existing products, could:

- take a significant amount of time;
- require the expenditure of substantial resources;
- involve rigorous pre-clinical and clinical testing, as well as increased post-market surveillance;
- involve modifications, repairs or replacements of our products; and
- result in limitations on the indicated uses of our products.

We cannot be certain that new healthcare devices or new uses for existing healthcare devices will be cleared or approved by the FDA or state and central regulatory agencies in a timely or cost-effective manner, if cleared or approved at all. In addition, the FDA may require post-market testing and surveillance and may, depending on the results, prevent or limit further marketing of products. The failure to receive approval or clearance for significant new products or modifications to existing products or the receipt of an approval of limited or reduced scope could have a material adverse effect on our financial condition and results of operations.

***20. We rely on third-party transportation providers for procurement of healthcare devices and for supply of our products and failure by any of our transportation providers could result in loss in sales.***

We depend on road transportation to deliver our finished products to our channel partners such as distributors and retailers. We rely exclusively on commercial vehicles and third-party transportation providers for procuring healthcare devices as well as for distributing our products to our channel partners such as distributors and retailers. This makes us dependent on various intermediaries such as domestic logistics companies and container freight station operators. We cannot guarantee that there will not be any delay in transportation and delivery of our products to our channel partners such as distributors and retailers. Weather-related problems, strikes, or other events could impair our ability to procure healthcare devices from third party manufactures which may in turn delay the process supplying our products to our channel partners such as distributors and retailers, and this could adversely affect the performance of our business, results of operations and cash flows.

Further, our third-party transportation providers do not carry any insurance coverage and therefore, any losses that may arise during the transportation process will have to be claimed under the Company's insurance policy. There can be no assurance that we will receive compensation for any such claims in a timely manner or at all, and consequently, any such loss may adversely affect our business, financial condition, results of operations and cash flows.

***21. Our business has been affected by the COVID-19 pandemic and may continue to affect our business, results of operations and financial condition.***

In December 2019, the first case of a novel strain of coronavirus, COVID-19, was identified in the People's Republic of China (China). The pandemic has since spread worldwide and there have been increased initial infection and fatality rates across the world. On March 11, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. In order to contain the spread of the infection, in India, the Government of India initially announced a 21-day countrywide lockdown starting on March 25, 2020, which was subject to successive extensions since then. The COVID-19 pandemic has impacted our business, financial condition and results of operations. For example, manufacturing activities of our vendors and commercial activities of our distribution channels were substantially shut down for a certain period, as we sought to comply with local regulations. Our operations declined beginning in April 2020 but began to normalize in May and June 2020 as the lock-down was eased. Furthermore, some of our vendors were shut down due to lock down, which affected their ability to provide us with the products.

While India has eased certain lockdown measures, the trajectory of the eventual outcome remains uncertain and contingent on the future path of the viral outbreak and the effectiveness of measures to counter it. Going forward, the COVID-19 pandemic may affect our business, results of operations and financial condition in a number of ways, such as:

- a. result in a complete or partial closure of, or disruptions or restrictions on our ability to conduct, our operations and distribution activities, resulting from government action;
- b. delay in shipment of our products;
- c. affect our ability to source our products as a result of the temporary or permanent closure of the facilities of our vendors; and
- d. affect the availability of employees, which could result in a slowdown in our operations.

Given the uncertainties regarding the continued spread of COVID-19 pandemic, it is difficult to predict the future economic effect of the virus on the global economy, or to what extent our business will be affected. We cannot assure you that, for example, further outbreak will not result in our vendors experiencing liquidity or other issues that affects their ability to provide us with healthcare products, or materially fewer sales due to unfavourable circumstances or the reason mentioned above. Any material changes in the financial markets, the global economy or regional economies as a result of the COVID-19 pandemic may materially and adversely affect our business, financial condition or results of operations.

**22. *Product liability and other civil claims and costs incurred as a result of product recalls could have a material adverse effect on our business.***

Due to the nature of our business, we face an inherent business risk of exposure to product liability or malfunctioning or recall claims in the event that our products fail to perform as expected or any such failure results, or is alleged to result, in bodily injury or property damage or both. Any actual or alleged contamination or deterioration or malfunctioning of our products, whether deliberate or accidental, could result in legal liability, damage to our reputation and may adversely affect our business prospects and consequently our financial performance. The risk of contamination or deterioration or malfunctioning exists at each stage including during storage, packaging and delivery to our customers for final use/ consumption by consumers. While we follow stringent quality control processes and quality standards, there can be no assurance that our products will not be malfunctioned contaminated or suffer deterioration.

As a result of product liability legislation, civil claims may be brought against us. Should any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and our current liabilities. We cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims, which could have a material adverse effect on our business, financial condition or results of operations.

**23. *We depend on our senior management team, and the loss of one or more of our executive officers or key employees or an inability to attract and retain highly skilled employees could harm our business.***

Our success depends largely upon the continued services of our key executive officers, particularly our Managing Director and Chief Executive Officer. Further, we rely on our leadership team in the areas of sales and marketing,

legal, finance and accounting, services and general and administrative functions. From time to time, there may be changes in our executive management team resulting from the hiring or departure of executives, which could disrupt our business. The replacement of one or more of our executive officers or other key employees would likely involve significant time and costs and may significantly delay or prevent the achievement of our business objectives.

To continue to execute our growth strategy, we also must attract and retain highly skilled personnel. Competition is intense for qualified professionals. We may not be successful in continuing to attract and retain qualified personnel. We have from time to time in the past experienced, and we expect to continue to experience in the future, difficulty in hiring and retaining highly skilled personnel with appropriate qualifications. The pool of qualified personnel with experience working in the healthcare market is limited overall. In addition, many of the companies with which we compete for experienced personnel have greater resources than we have.

***24. Significant challenges or delays in our Company's innovation and development of new products, technologies and indications could have an adverse impact on the Company's long-term success.***

Our Company's continued growth and success depends on its ability to innovate and develop new and differentiated products and services that address the evolving health care needs of patients, providers and consumers. Development of successful products and technologies is also necessary to offset revenue losses when the Company's existing products lose market share due to various factors such as competition and loss of intellectual property rights. Our Company cannot be certain when or whether it will be able to develop, license or otherwise acquire companies, products and technologies, whether particular product candidates will be granted regulatory approval, and, if approved, whether the products will be commercially successful.

In all of these contexts, developing new products and healthcare devices, requires significant investment of resources over many years. The process depends on many factors including the ability to discern patients' and health care providers' future needs; develop promising new compounds, strategies and technologies; achieve successful clinical trial results; secure effective intellectual property protection; obtain regulatory approvals on a timely basis; and, if and when they reach the market, successfully differentiate the Company's products from competing products and approaches to treatment. New products or enhancements to existing products may not be accepted quickly or significantly in the marketplace due to product and price competition, changes in customer preferences or purchasing patterns, resistance by healthcare providers or uncertainty over third-party reimbursement. Even following initial regulatory approval, the success of a product can be adversely impacted by safety and efficacy findings in larger real world patient populations, as well as market entry of competitive products.

***25. If we are unable to collect our dues and receivables from our clients, our results of operations and cash flows could be adversely affected.***

We extend credit to certain of our distributors and retailers. Consequently, we are exposed to the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result of such industry conditions, we have and may continue to have relatively high levels of outstanding receivables and there may be an impact on our cash flow statement. Our trade receivables for Fiscal 2018, 2019 and 2020 were ₹ 16.86 million, ₹ 88.56 million and ₹ 128.97 million respectively and as of September 30, 2020, were ₹ 40.08 million on a consolidated basis. Our average debtor cycle was 31 days, 53 days, 47 days and 6 days in Fiscal 2018, 2019 and 2020 and in the six months period ended September 30, 2020, respectively. If a significant portion of our retailers or distributors default in making these payments our profits margins could be adversely affected. Our financial position and profitability therefore depend on the credit-worthiness of our distributors and retailers.

Certain of these distributors and retailers may have weak credit histories and we cannot assure that these counterparties will always be able to pay us in a timely fashion, if at all. Any change in the financial condition of these counterparties that adversely affects their ability to pay us may materially adversely affect our results of operations and financial condition. There is no guarantee that we will be able to accurately assess the creditworthiness of our clients. Macroeconomic conditions, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our clients, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause clients to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Further, we cannot assure you that in the future we will not extend credit to our customers and distributors.

***26. We face foreign exchange risks that could adversely affect our results of operations and cash flows.***

While a substantial portion of our revenues is, and we expect in future will be, denominated in Rupees, we are exposed to foreign exchange rate risk on imported components and products supplied by our vendors based out of India and revenue from sales in our international markets, which is mostly denominated in U.S. Dollars. We report our financial results in Indian Rupees, while portions of our total income and expenses are denominated, generated or incurred in currencies other than Indian Rupees such as the U.S. Dollar. Our total expenses in Fiscal 2018, 2019 and 2020, and in the six months period ended September 30, 2020 amounted to ₹ 157.46 million, ₹ 531.42 million, ₹ 908.79 million and ₹ 743.28 million, respectively. The exchange rate between the Indian Rupee and foreign currencies has fluctuated significantly in recent years and may continue to fluctuate in the future. Any significant appreciation of the Indian Rupee against foreign currencies in which we do business can fundamentally affect our competitiveness in the long term. As our Restated Consolidated Financial Information are presented in Indian Rupees, any depreciation of the Rupee against the US Dollar will significantly increase the Rupee cost to us of servicing and repaying our foreign currency payables, which in turn could impact our results of operations.

***27. Our inability to manage growth could disrupt our business and reduce our profitability.***

A principal component of our strategy is to continue to grow by expanding the size and geographical scope of our existing businesses, as well as the development of new businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

***28. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. We cannot assure you that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely affect our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud, which may in turn adversely affect our business, financial condition or results of operations.

***29. Our inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business may have a material adverse effect on our business, financial condition and results of operations.***

We will be required to renew permits and approvals in relation to our existing operations and obtain new permits and approvals for any proposed operations as may be required under the applicable laws of the sector or region that we are operating in. There can be no assurance that relevant authorities will renew or issue any of such permits or approvals in the time-frame anticipated by us or at all. Our failure to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

Compliance with many of the regulations applicable to our operations may involve incurring significant costs and otherwise may impose restrictions on our operations. We cannot assure you that we will not be subject to any adverse regulatory action in the future. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and the business of our Company could be adversely affected. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any of the terms and conditions

stipulated under any of our licenses or permits, one or several of our licenses and certificates may be suspended or cancelled and we shall not be able to carry on the activities permitted thereunder. For further information, see “Government and Other Approvals” on page 250.

**30. *Our insurance coverage may not be adequate to cover all losses or liabilities that we may incur in our business and operations.***

Our operations are subject to various risks inherent in manufacturing and distribution of healthcare device industry as well as fire, theft, earthquake, flood, acts of terrorism and other events beyond our control. We maintain insurance policies customary for our industry to cover certain risks, including standard fire and special perils, burglary, marine insurance policy. Our Company’s insurance cover as on the date of September 30, 2020 is approximately ₹ 2,382.50 million (excluding directors and officers liability insurance) in respect of its total assets which stood at ₹ 1,024.88 million as of September 30, 2020. Consequently, our Company’s insurance cover as a percentage of total assets as of September 30, 2020 was approximately 232.46%. For further information, see “Our Business – Insurance” on page 103.

Notwithstanding the insurance coverage that we carry, the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events not covered by insurance policies, could harm our financial condition, business and future results of operations. We cannot provide any assurance that our insurance will be sufficient or effective under all circumstances and against all risks to which we may be subject. However, in some cases, we may not have obtained the required insurance coverage or such insurance policies may have lapsed. For instance, we currently do not maintain any insurance against cyber-crime, corporate general liability or key-man insurance. In addition, our insurance policies may not continue to be available on reasonable terms, at economically acceptable premiums, or at all. There can be no assurance that any claims filed will be honoured fully or timely under our insurance policies. Also, our financial condition may be affected to the extent we suffer any loss or damage that is not covered by insurance or which exceeds our insurance coverage.

**31. *Certain premises, including our Registered Office, Corporate Office, manufacturing facility and warehouses are not owned by us and we have only leasehold or leave and license rights over them. In the event we lose such rights, our business, financial condition and results of operations and cash flows could be adversely affected.***

Certain premises used by our Company have been obtained on a lease and sub-lease basis, including our Registered Office, Corporate Office, manufacturing facility and warehouses. Our Company has recently started the manufacturing facility pursuant to the registration and license to work a factory issued by Chief Inspector of Factories, Union Territory, Chandigarh under the Factories Act, 1948 on July 28, 2020. Further, our Company has our manufacturing facility located in Chandigarh have been obtained on leasehold basis from Raman Goyal, mother of Saurabh Goyal our individual Promoter. Our Promoter has disassociated himself from his parents Sanjiv Goyal and Raman Goyal pursuant to a family partition deed entered with Sanjiv Goyal along with his wife Raman Goyal on September 10, 2020. For further details with respect family partition deed, see “Our Promoter and Promoter Group” on page 143. We cannot assure you that we will be able to renew our lease or sub-lease agreements or enter into new agreements in the future, on terms favourable to us, or at all. In the event that any lease or sub-lease agreement is not renewed, we will be required to expend time and financial resources to locate suitable land or building to set up our operations. Also, we may be unable to relocate to an appropriate location in a timely manner, or at all, and we cannot assure you that a relocated office will be as commercially viable.

If a lease agreement or the sub lease agreement is terminated, prior to its tenure or if it is not renewed, or if we are required to cease business operations at a property, for any reason whatsoever, our business, financial condition and results of operations may be adversely affected. Further, if the vacated property is leased or sold to a competitor, we may also face increased competition in that geographic area, which could adversely affect our market share. For further information on our properties, see “Our Business – Properties” on page 103.

**32. *We have entered into, and will continue to enter into, related party transactions. There is no assurance that our future related party transactions would be on terms favourable to us when compared to similar transactions with unrelated or third parties.***



We have entered into and may, in the course of our business, continue to enter into transactions with related parties including our Promoter and members of the Promoter Group, Subsidiaries and Group Companies in the future. Primarily these transactions include revenue from operation, purchases of stock in trade, borrowings taken and repaid, advances received against supply of goods and remuneration to Directors and Key Managerial Personnel's. For further information on our related party transactions, see "*Financial Information - Related Party Transactions*" on page 155. While we believe that all such transactions have been conducted on an arm length's basis and in the ordinary course of business, there can be no assurance that we could not have achieved more favourable commercial terms with other parties. Further, it is likely that we may enter into related party transactions in the future and such transactions may potentially involve conflicts of interest. In terms of the Companies Act, 2013 and SEBI Listing Regulations, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board and Shareholders for certain related party transactions and our Company undertakes that such related party transactions shall not be done against the interests of the Company and its minority Shareholders as prescribed in the SEBI Listing Regulations. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

**33. *We rely extensively on our operational support systems, including on our information technology systems in managing our supply chain, procurement process, logistics and other integral parts of our business, failure of which could adversely affect our business, financial conditions and results of operations.***

The importance of information technology systems to our business is paramount. We are reliant on our information technology systems in connection with order booking, procurement of healthcare devices, accounting, production and distribution. Furthermore, these systems 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 large-scale IT malfunction could disrupt our business or lead to disclosure of sensitive company information. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various IT systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems). 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 a malfunction of our data system security measures could enable 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. Any failure in our information technology systems could result in business interruption, adversely impacting our reputation and weakening of our competitive position and could have a material adverse effect on our financial condition and results of operations.

**34. *Our Subsidiaries may have conflicts of interest as they are engaged in similar business and may compete with us.***

Our Subsidiaries are authorized to engage in businesses similar to our business operations. For further information of such Subsidiaries, see section titled "*History and Certain Corporate Matters – Our Subsidiaries*" on page 120. As a result, there may be conflicts of interest in allocating business opportunities between us and other Subsidiaries. Further, there also may be conflicts of interest between our Subsidiaries and us in pursuing our existing line of business. We have not entered into any non-compete agreements with our Subsidiaries. There can be no assurance that our Subsidiaries will not compete with our existing business or any future business that we may undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business. Any such present and future conflicts could have a material adverse effect on our business and financial performance.

**35. *Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows and working capital and capital expenditure requirements.***

Any dividends to be declared and paid in the future are required to be recommended by our Board and approved by our shareholders, at their discretion, subject to our Dividend Policy, the provisions of the Articles of Association and applicable law, including the Companies Act. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements. We cannot assure you that we will generate sufficient revenues to cover our operating

expenses and, as such, pay dividends to our shareholders in future consistent with our past practices, or at all. For information relating to dividend declared by us in the past, see “*Dividend Policy*” on page 153.

**36. *Our Promoter and members of the Promoter Group who are also our Directors and Key Managerial Personnel hold Equity Shares, and are, therefore, interested in our Company’s performance other than reimbursement of expenses incurred or normal remuneration of benefits.***

Our Promoter and members of the Promoter Group who are also our Directors and Key Managerial Personnel, have interests in our Company and Subsidiaries other than to the extent of normal remuneration or benefits and reimbursement of expenses incurred. For further information, see “*Our Management*” on page 127. There can be no assurance that our Promoter and members of the Promoter Group will exercise their rights as shareholders to the benefit and best interest of our Company.

**37. *Our Promoter and Promoter Group will continue to retain significant control in our Company, which will allow them to influence the outcome of matters submitted to shareholders for approval.***

As of the date of this Red Herring Prospectus, our Promoter and Promoter Group hold 93.33% of pre-Issue share capital of our Company. Furthermore, after the completion of this Issue, our Promoters will control, directly or indirectly our Company and continue to hold substantial percentage of the issued and paid up equity share capital of our Company. As a result, our Promoter will continue to exercise significant control over us, including being able to control the composition of our Board and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoter may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. We cannot assure you that our Promoter will exercise their rights as shareholders to the benefit and best interest of our Company.

**38. *Industry information included in this Red Herring Prospectus has been derived from industry reports. There can be no assurance that such third party statistical, financial and other industry data in this Red Herring Prospectus may be complete or reliable.***

We have not independently verified data obtained from industry publications and other third party sources, including Frost & Sullivan, referred to in this Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from these industry reports. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed and dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, the BRLM or any of our or their respective affiliates and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus.

This information includes general market and industry data that is derived from both public and private sources, including market and industry data that is derived from both public and private sources, including market research, publicly available information and industry publications. Such data may also be produced on different bases from those used in other industry publications. Therefore, discussions of matters relating to India, its economy and the industries in which we currently operate in this Red Herring Prospectus are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable. Investors should exercise caution when relying upon such third-party information.

**39. *All Indian companies, including our Company, are subject to a new accounting standard, Ind AS 116, effective April 1, 2019.***

The Ministry of Corporate Affairs (“MCA”) has *vide* notification dated March 30, 2019 notified ‘Ind AS 116 – Leases’

and we have adopted Ind AS 116 retrospectively from April 1, 2017. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, *i.e.* the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. As per Ind AS 116, the lessee needs to recognise depreciation on right of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The change in accounting policy pursuant to the adoption of Ind AS 116 was considered retrospectively from April 1, 2017 in the Restated Consolidated Financial Information. Consequent to the adoption of Ind AS 116, the impact has been adjusted in the respective periods in the Restated Consolidated Financial Information. For further information, see “*Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Changes in Accounting Policies*” on pages 155 and 210, respectively. Accordingly, the financial statements/information that we have prepared in accordance with Ind AS 116, including our Restated Consolidated Financial Information included in this Red Herring Prospectus and the financial statements/information that we will prepare in accordance with Ind AS 116 in the future may not be comparable with our historical financial statements. Investors should rely solely on our Restated Consolidated Financial Information included in this Red Herring Prospectus for an assessment of our financial position and any investment decision in relation to the Issue.

The governmental and regulatory bodies in India may continue to notify such new accounting standards, regulations and/or policies. There can be no assurance that any such changes in accounting standards, regulations or policies would not lead to different accounting methods, which may have an adverse effect on our business, financial condition and results of operations.

**40. *The Promoter Group of our Company does not include Sanjiv Goyal and Raman Goyal, parents of Saurabh Goyal, our individual Promoter, or any entity in which Sanjiv Goyal and Raman Goyal may have an interest.***

The Promoter Group of our Company does not include Sanjiv Goyal and Raman Goyal, parents of Saurabh Goyal, our individual Promoter, or any entity in which Sanjiv Goyal and Raman Goyal may have an interest. Our Promoter, Saurabh Goyal has disassociated himself from Sanjiv Goyal and Raman Goyal pursuant to a family partition deed entered with Sanjiv Goyal along with his wife Raman Goyal on September 10, 2020. Further to the disassociation, Sanjiv Goyal and Raman Goyal and any entity in which Sanjiv Goyal and Raman Goyal may have an interest are not included in the Promoter Group of our Company. For further information, see “*Our Promoter and Promoter Group*” on page 143.

We had submitted an exemption application dated November 10, 2020 with SEBI seeking an exemption from including Sanjiv Goyal and Raman Goyal, parents of Saurabh Goyal, our individual Promoter as the Promoter Group of our Company and identifying Nectar Life Sciences Limited as the ‘group companies’ of our Company, as our Promoter has disassociated with Nectar Life Sciences Limited pursuant to the Family Partition Deed dated September 10, 2020 and our Promoter, Directors and Key Managerial Personnel are not connected with Sanjiv Goyal and his wife Raman Goyal in any manner. Subsequently, such exemption was granted to us by SEBI *vide* its letter bearing number SEBI/HO/CFD/DIL1/YJ/KBOW/P/2021/1/582 dated January 11, 2021.

**41. *Our Company does not have a listed peer which is engaged in a similar line of business or whose business is comparable with our business and therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in the Issue.***

As on the date of this Red Herring Prospectus, there are no companies which are involved exclusively in a business similar to ours, which are listed on the Indian stock exchanges and accordingly, we are not in a position to provide comparative analysis of our performance with any listed company. Therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in the Issue. For further information, see “*Basis for Issue Price - Comparison with Listed Industry Peers*” on page 75.

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

During the last one year we have issued Equity Shares at a price that may be lower than the Issue Price. For further information, see “*Capital Structure*” on page 61.

The prices at which Equity Shares have been issued by us in last one year should not be taken to be indicative of the Price Band, Issue Price and the trading price of our Equity Shares after listing.

## **EXTERNAL RISK FACTORS**

### ***43. The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could materially and adversely impact our business, financial condition, cash flows and results of operations.***

In late 2019, COVID-19 emerged and by March 11, 2020 was declared a global pandemic by The World Health Organization. Governments and municipalities around the world instituted measures in an effort to control the spread of COVID-19, including quarantines, shelter-in-place orders, school closings, travel restrictions, lock down of cities and closure of non-essential businesses. By the end of March, the macroeconomic impacts became significant, exhibited by, among other things, a rise in unemployment and market volatility. The outbreak of COVID-19 in many countries, including India, the United Kingdom and the United States, has significantly and adversely impacted economic activity and has contributed to significant volatility and negative pressure in financial markets, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, recession or depression, despite monetary and fiscal interventions by governments and central banks globally. On March 24, 2020, the Government of India ordered a national lockdown in response to the spread of COVID-19. Although some governments are beginning to ease or lift these restrictions, the impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy remain unknown and no prediction can be made of when any of the restrictions currently in place will be relaxed or expire, or whether or when further restrictions will be announced.

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our clients and online retailers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our clients, and those of our respective third party manufacturers. There is currently substantial medical uncertainty regarding COVID-19 and no government-certified treatment or vaccine is available. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession. The spread of COVID-19 has caused us to modify our business practices, and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and vendor. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed. The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact COVID-19 may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all of any impact from the spread of COVID-19 or its consequences, including downturns in business sentiment generally or in our sector in particular. The degree to which COVID-19 impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how

quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people.

Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company. The full extent to which the COVID-19 pandemic, or any future pandemic or widespread public health emergency impacts our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict, including: the scope, severity, and duration of the pandemic; actions taken by governments, business and individuals in response to the pandemic; the effect on customer demand for and ability to pay for our products; the impact on our capital expenditure and drug development projects; disruptions or restrictions on our employees' and vendors' ability to work and travel; volatility in foreign exchange rates; any extended period of remote work arrangements; and strain on our or our customers' business continuity plans, and resultant operational risk.

**44. *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 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. For example, the Government of India implemented a comprehensive national goods and services tax ("**GST**") regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure.

The Government of India has announced the union budget for Fiscal 2021 and the Ministry of Finance has notified the Finance Act, 2020 ("**Finance Act**") on March 27, 2020, pursuant to assent received from the President, and the Finance Act will come into operation with effect from July 1, 2020. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, a draft of the Personal Data Protection Bill, 2019 ("**Bill**") has been introduced before the Lok Sabha on December 11, 2019, which is currently being referred to a joint parliamentary committee by the Parliament. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

**45. *Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition.***

The Restated Consolidated Financial Information for Fiscals 2018, 2019 and 2020 and for the six months period ended September 30, 2020 have been prepared under Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies Act, 2013.

Except as otherwise provided in the "*Financial Statements*", no attempt has been made to reconcile any of the information given in this Red Herring Prospectus to any other principles or to base the information on any other standards. Ind AS differs from other accounting principles with which prospective investors may be familiar, such as IFRS and U.S. GAAP. Accordingly, the degree to which the financial statements, which are restated in accordance with the SEBI ICDR Regulations, included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be

limited. In addition, our Restated Consolidated Financial Information may be subject to change if new or amended Ind AS accounting standards are issued in the future or if we revise our elections or selected exemptions in respect of the relevant regulations for the implementation of Ind AS.

***46. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- the prolonged impact of the outbreak of the COVID-19 or any similar future outbreaks of influenza or a similar contagious disease;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- prevailing regional or global economic conditions, including in India's principal export markets;
- geopolitical events such withdrawal of the United Kingdom from the European Union have had and may continue to have an adverse effect on global economic conditions and stability of the global financial markets;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- logistical and communications challenges;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

In addition, the ongoing COVID-19 pandemic has caused an economic downturn in several major economies and generated volatility in, and general adverse impact on, the global securities markets, including in India; further, it is not possible for us to predict the extent and duration of this volatility and adverse impact on the global or Indian securities markets, including any possible impact on our Equity Shares. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

***47. Investors may not be able to enforce a judgment of a foreign court against us.***

Our Company is a company incorporated under the laws of India. A majority of our Company's Directors and officers are residents of India and a substantial portion of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

**48. Any downgrading of India's debt rating by an international rating agency could adversely affect our business.**

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

**Risks Relating to the Equity Shares**

**49. The trading volume and market price of the Equity Shares may be volatile following the Issue.**

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

**50. The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.**

The Issue Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Manager through the Book Building Process. This price will be based on numerous factors, as described under "Basis for Issue Price" on page 75 and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the 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 resell their Equity Shares at or above the Issue Price.

**51. The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors 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 does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world.

**52. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.**

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. However, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax (“STT”) is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of equity shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, has now levied taxes on such long term capital gains exceeding ₹ 100,000 arising from sale of Equity Shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. For further information, see “*Statement of Possible Tax Benefits*” on page 78.

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

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 286.

**54. *Fluctuations in the exchange rate between the Rupee and foreign currencies could have an adverse effect on the value of the Equity Shares in those currencies, independent of our operating results.***

The Equity Shares are quoted in Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by investors. The exchange rate between the Rupee and foreign currencies (including U.S. dollar) has changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of the Equity Shares and returns from the Equity Shares in foreign currency terms, independent of our results.

**55. *Investors will be subject to market risks until the Equity Shares credited to the investor’s demat account are listed and permitted to trade.***

Investors may begin trading the Equity Shares allotted to them only after they have been credited to an investor’s demat account, are listed and permitted to trade. Since the Equity Shares are currently not traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor’s demat account or that trading in the Equity Shares will commence in a timely manner.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity



shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

## SECTION III – INTRODUCTION

### THE ISSUE

The following table summarises the Issue details:

| Issue*                                                                                                            | Up to [●] Equity Shares aggregating up to ₹ 1,000.00 million           |
|-------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| <i>The Issue consists of:</i>                                                                                     |                                                                        |
| <i>Of which</i>                                                                                                   |                                                                        |
| Employee Reservation Portion                                                                                      | Up to [●]^ Equity Shares                                               |
| <i>Net Issue</i>                                                                                                  |                                                                        |
| <i>Of which</i>                                                                                                   |                                                                        |
| (a) QIB Portion                                                                                                   | At least [●] Equity Shares                                             |
| <i>Of which</i>                                                                                                   |                                                                        |
| Anchor Investor Portion                                                                                           | Up to [●] Equity Shares                                                |
| Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)                                            | [●] Equity Shares                                                      |
| <i>Of which</i>                                                                                                   |                                                                        |
| Available for allocation to Mutual Funds only (5% of the Net QIB Portion (excluding the Anchor Investor Portion)) | Up to [●] Equity Shares                                                |
| Balance of QIB Portion for all QIBs including Mutual Funds                                                        | Up to [●] Equity Shares                                                |
| (b) Non – Institutional Portion                                                                                   | Not more than [●] Equity Shares                                        |
| (c) Retail Portion                                                                                                | Not more than [●] Equity Shares                                        |
| <b>Pre and post Issue Equity Shares</b>                                                                           |                                                                        |
| Equity Shares outstanding prior to the Issue                                                                      | 7,500,000 Equity Shares                                                |
| Equity Shares outstanding after the Issue                                                                         | [●] Equity Shares                                                      |
| Utilisation of Net Proceeds                                                                                       | For details, see the section titled “Objects of the Issue” on page 68. |

\* Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. 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 or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net 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. However, if aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionally to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see “Issue Procedure” on page 270.

In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation up to ₹500,000), shall be added to the Net Issue.

The Issue has been authorised by our Board pursuant to a resolution passed at its meeting held on September 3, 2020 and by our Shareholders pursuant to a resolution passed at the EGM held on September 4, 2020.

^ Employee Discount may be offered to Eligible Employees Bidding in the Employee Reservation Portion

Allocation to Bidders in all categories, except the Anchor Investor Portion, if any, shall be made on a proportionate basis. For further details, see the section titled “*Issue Procedure*” on page 270.

## SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from and should be read in conjunction with our Restated Consolidated Financial Information, as presented in the section titled “Financial Information” on page 155 and the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 210.

### RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES INFORMATION

(in ₹ million)

| Particulars                                                                | As at<br>September 30,<br>2020 | Fiscal 2020   | Fiscal 2019   | Fiscal 2018  |
|----------------------------------------------------------------------------|--------------------------------|---------------|---------------|--------------|
| <b>ASSETS</b>                                                              |                                |               |               |              |
| <b>1. Non-Current Assets</b>                                               |                                |               |               |              |
| a. Property, plant and equipment                                           | 4.66                           | 4.55          | 1.21          | 0.20         |
| b. Right-of-use assets                                                     | 17.40                          | 6.09          | 4.23          | -            |
| c. Financial assets                                                        |                                |               |               |              |
| - Investments                                                              | -                              | -             | 0.00          | 0.00         |
| - Loans                                                                    | 0.39                           | 0.25          | 0.02          | 0.02         |
| d. Deferred tax assets (net)                                               | 13.66                          | 0.42          | 0.09          | 0.02         |
| <b>Total non-current assets</b>                                            | <b>36.11</b>                   | <b>11.31</b>  | <b>5.55</b>   | <b>0.24</b>  |
| <b>2. Current assets</b>                                                   |                                |               |               |              |
| a. Inventories                                                             | 303.36                         | 164.26        | 135.49        | 35.39        |
| b. Financial assets                                                        |                                |               |               |              |
| - Trade receivables                                                        | 40.08                          | 128.97        | 88.56         | 16.86        |
| - Cash and cash equivalents                                                | 108.62                         | 0.74          | 1.11          | 0.69         |
| - Other bank balances                                                      | 443.80                         | -             | -             | -            |
| - Other financial assets                                                   | 2.74                           | 19.88         | -             | 14.82        |
| c. Other current assets                                                    | 90.17                          | 13.67         | 4.47          | 2.19         |
| <b>Total current assets</b>                                                | <b>988.77</b>                  | <b>327.52</b> | <b>229.63</b> | <b>69.95</b> |
| <b>TOTAL ASSETS</b>                                                        | <b>1,024.88</b>                | <b>338.83</b> | <b>235.18</b> | <b>70.19</b> |
| <b>EQUITY AND LIABILITIES</b>                                              |                                |               |               |              |
| <b>1. Equity</b>                                                           |                                |               |               |              |
| a. Equity share capital                                                    | 70.00                          | 0.10          | 0.10          | 0.10         |
| b. Other equity                                                            | 446.45                         | 149.24        | 79.35         | 17.10        |
| <b>Total Equity</b>                                                        | <b>516.45</b>                  | <b>149.34</b> | <b>79.45</b>  | <b>17.20</b> |
| <b>Liabilities</b>                                                         |                                |               |               |              |
| <b>2. Non-current liabilities</b>                                          |                                |               |               |              |
| a. Financial liabilities                                                   |                                |               |               |              |
| - Borrowings                                                               | 48.95                          | 93.45         | 2.60          | -            |
| b. Provisions                                                              | 3.70                           | 1.01          | 0.29          | 0.07         |
| <b>Total non-current liabilities</b>                                       | <b>52.65</b>                   | <b>94.46</b>  | <b>2.89</b>   | <b>0.07</b>  |
| <b>3. Current liabilities</b>                                              |                                |               |               |              |
| a. Financial liabilities                                                   |                                |               |               |              |
| - Borrowings                                                               | 44.20                          | 0.75          | -             | -            |
| - Trade payables                                                           |                                |               |               |              |
| Total outstanding dues of micro and small enterprises                      | -                              | -             | -             | -            |
| Total outstanding dues of creditors other than micro and small enterprises | 182.86                         | 58.31         | 97.60         | 52.65        |
| - Other financial liabilities                                              | 6.85                           | 4.16          | 54.12         | -            |
| b. Other current liabilities                                               | 118.14                         | 8.12          | 1.03          | 0.21         |
| c. Provisions                                                              | 0.10                           | 0.08          | 0.03          | 0.01         |
| d. Current tax liabilities (net)                                           | 103.63                         | 23.61         | 0.06          | 0.05         |
| <b>Total current liabilities</b>                                           | <b>455.78</b>                  | <b>95.03</b>  | <b>152.84</b> | <b>52.92</b> |
| <b>TOTAL LIABILITIES</b>                                                   | <b>508.43</b>                  | <b>189.49</b> | <b>155.73</b> | <b>52.99</b> |

| Particulars                         | As at September 30, 2020 | Fiscal 2020   | Fiscal 2019   | Fiscal 2018  |
|-------------------------------------|--------------------------|---------------|---------------|--------------|
| <b>TOTAL EQUITY AND LIABILITIES</b> | <b>1,024.88</b>          | <b>338.83</b> | <b>235.18</b> | <b>70.19</b> |

## RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS INFORMATION

(in ₹ million)

| Particulars                                                                                              | For the period April 1, 2020 to September 30, 2020 | Fiscal 2020   | Fiscal 2019   | Fiscal 2018   |
|----------------------------------------------------------------------------------------------------------|----------------------------------------------------|---------------|---------------|---------------|
| <b>Revenue</b>                                                                                           |                                                    |               |               |               |
| Revenue from operations                                                                                  | 1,221.45                                           | 994.26        | 618.97        | 200.51        |
| Other Income                                                                                             | 8.28                                               | 0.61          | 0.86          | 0.18          |
| <b>Total Income</b>                                                                                      | <b>1,229.73</b>                                    | <b>994.87</b> | <b>619.83</b> | <b>200.69</b> |
| <b>Expenses</b>                                                                                          |                                                    |               |               |               |
| Purchase of stock-in-trade                                                                               | 632.76                                             | 674.85        | 501.63        | 142.77        |
| Changes in inventories of stock-in-trade                                                                 | (153.86)                                           | (28.82)       | (100.10)      | (31.67)       |
| Employee benefits expenses                                                                               | 10.92                                              | 31.57         | 8.87          | 3.61          |
| Finance costs                                                                                            | 11.83                                              | 7.73          | 2.44          | 0.64          |
| Depreciation expenses                                                                                    | 1.78                                               | 3.74          | 0.57          | 0.06          |
| Other expenses                                                                                           | 239.85                                             | 219.72        | 118.02        | 42.05         |
| <b>Total Expenses</b>                                                                                    | <b>743.28</b>                                      | <b>908.79</b> | <b>531.42</b> | <b>157.46</b> |
| <b>Profit before tax</b>                                                                                 | <b>486.45</b>                                      | <b>86.08</b>  | <b>88.41</b>  | <b>43.23</b>  |
| <b>Tax Expenses</b>                                                                                      |                                                    |               |               |               |
| Current tax                                                                                              | 137.89                                             | 22.47         | 26.21         | 12.12         |
| Deferred tax                                                                                             | (13.24)                                            | (0.34)        | (0.06)        | (0.01)        |
| <b>Total tax expenses</b>                                                                                | <b>124.65</b>                                      | <b>22.13</b>  | <b>26.15</b>  | <b>12.11</b>  |
| <b>Profit for the period/ year</b>                                                                       | <b>361.80</b>                                      | <b>63.95</b>  | <b>62.26</b>  | <b>31.12</b>  |
| <b>Other comprehensive income/ (loss)</b>                                                                |                                                    |               |               |               |
| <b>Items that will not be reclassified to profit or loss</b>                                             |                                                    |               |               |               |
| Remeasurement of defined benefit obligation                                                              | 0.01                                               | (0.06)        | (0.00)        | 0.00          |
| Income tax relating to remeasurement of defined benefit obligation                                       | (0.00)                                             | 0.01          | 0.00          | (0.00)        |
| Net change in fair value of equity instruments through other comprehensive income                        | -                                                  | -             | -             | -             |
| Income tax related to net change in fair value of equity instruments through other comprehensive income  | -                                                  | -             | -             | -             |
| <b>Items that will be reclassified to profit or loss</b>                                                 |                                                    |               |               |               |
| Exchange differences on translating the financial statements of a foreign operation                      | 0.00                                               | 0.01          | (0.01)        | (0.00)        |
| Income tax relating to translating the financial statements of a foreign operation                       | -                                                  | -             | -             | -             |
| Net change in fair value of equity instruments through other comprehensive income (FVOCI)                | -                                                  | (0.00)        | -             | -             |
| Income tax relating to net change in fair value of equity instruments through other comprehensive income | -                                                  | -             | -             | -             |
| <b>Total other comprehensive (loss) for the period/ year (net of tax)</b>                                | <b>0.01</b>                                        | <b>(0.04)</b> | <b>(0.01)</b> | <b>(0.00)</b> |
| <b>Total comprehensive income for the period/ year</b>                                                   | <b>361.81</b>                                      | <b>63.91</b>  | <b>62.24</b>  | <b>31.12</b>  |
| <b>Earnings per equity share</b>                                                                         |                                                    |               |               |               |
| Basic and diluted [face value of INR 10 each]                                                            | 51.69                                              | 9.14          | 8.89          | 4.45          |

## RESTATED STATEMENT OF CASH FLOWS INFORMATION

(in ₹ million)

| Particulars                                                                                | For the period<br>April 1, 2020 to<br>September 30,<br>2020 | Fiscal 2020    | Fiscal 2019   | Fiscal 2018   |
|--------------------------------------------------------------------------------------------|-------------------------------------------------------------|----------------|---------------|---------------|
| <b>Cash flows from operating activities</b>                                                |                                                             |                |               |               |
| <b>Profit before tax for the period/ year</b>                                              | <b>486.45</b>                                               | <b>86.08</b>   | <b>88.41</b>  | <b>43.23</b>  |
| <b>Adjustments for:</b>                                                                    |                                                             |                |               |               |
| Depreciation expense                                                                       | 1.78                                                        | 3.74           | 0.56          | 0.06          |
| Non current investment written off                                                         | -                                                           | 0.00           | -             | -             |
| Expected credit loss on trade receivables                                                  | -                                                           | 0.56           | -             | -             |
| Income on unwinding of security deposits                                                   | (0.00)                                                      | (0.02)         | -             | -             |
| Unrealised foreign exchange (gain)/ loss                                                   | (0.67)                                                      | (0.18)         | 0.02          | (0.36)        |
| Finance costs                                                                              | 11.83                                                       | 7.73           | 2.43          | 0.64          |
| Interest income                                                                            | (2.97)                                                      | (0.18)         | -             | -             |
| <b>Operating cash flows before working capital changes</b>                                 | <b>496.42</b>                                               | <b>97.73</b>   | <b>91.42</b>  | <b>43.57</b>  |
| <b>Working capital adjustments</b>                                                         |                                                             |                |               |               |
| (Increase)/ decrease in inventories                                                        | (139.10)                                                    | (28.77)        | (100.10)      | (31.67)       |
| (Increase)/ decrease in trade receivables                                                  | 88.88                                                       | (40.97)        | (71.70)       | (13.26)       |
| Increase/(decrease) in trade payables                                                      | 125.22                                                      | (39.12)        | 44.90         | 33.80         |
| Decrease/(increase) in loans                                                               | (0.14)                                                      | (0.23)         | -             | -             |
| (Increase)/ decrease in other current assets                                               | (56.68)                                                     | (23.20)        | (14.91)       | (29.10)       |
| Increase in other financial liabilities                                                    | -                                                           | (52.42)        | 52.42         | (2.26)        |
| Increase/(decrease) in other current liabilities                                           | 110.04                                                      | 7.09           | 0.83          | (0.14)        |
| Increase in provisions                                                                     | 2.72                                                        | 0.72           | 0.25          | 0.05          |
| <b>Cash generate from/ (used in) operating activities</b>                                  | <b>627.36</b>                                               | <b>(79.17)</b> | <b>3.11</b>   | <b>0.99</b>   |
| Income tax paid (net)                                                                      | (64.83)                                                     | (0.06)         | (0.05)        | (0.00)        |
| <b>Net cash generated from/ (used in) operating activities (A)</b>                         | <b>562.53</b>                                               | <b>(79.23)</b> | <b>(3.06)</b> | <b>0.99</b>   |
| <b>Cash flows from investing activities</b>                                                |                                                             |                |               |               |
| Purchase of property, plant and equipment                                                  | (0.67)                                                      | (4.12)         | (1.19)        | (0.18)        |
| Interest received                                                                          | 0.23                                                        | 0.18           | -             | -             |
| Investment in other bank balances                                                          | (443.80)                                                    | -              | -             | -             |
| <b>Net cash used in investing activities (B)</b>                                           | <b>(444.24)</b>                                             | <b>(3.94)</b>  | <b>(1.19)</b> | <b>(0.18)</b> |
| <b>Cash flows from financing activities</b>                                                |                                                             |                |               |               |
| Proceeds from share application money pending allotment                                    | 5.30                                                        | -              | -             | -             |
| Payment of lease liabilities (including interest)                                          | (1.80)                                                      | (3.36)         | (0.41)        | -             |
| Interest paid                                                                              | (2.59)                                                      | (5.37)         | (1.03)        | (0.03)        |
| Repayment of borrowings                                                                    | (54.77)                                                     | (7.50)         | -             | (0.55)        |
| Proceeds from borrowings                                                                   | 43.45                                                       | 98.99          | -             | -             |
| <b>Net cash generated from financing activities (C)</b>                                    | <b>(10.41)</b>                                              | <b>82.76</b>   | <b>(1.44)</b> | <b>(0.58)</b> |
| <b>Net increase/ (decrease) in cash and cash equivalent (A+B+C)</b>                        | <b>107.88</b>                                               | <b>(0.41)</b>  | <b>0.43</b>   | <b>0.24</b>   |
| Effect of exchange rate fluctuations on cash and cash equivalents held in foreign currency | 0.00                                                        | 0.04           | (0.01)        | (0.00)        |
| <b>Cash and cash equivalents at the beginning of the period/year</b>                       | <b>0.74</b>                                                 | <b>1.11</b>    | <b>0.69</b>   | <b>0.46</b>   |
| <b>Cash and cash equivalents at the end of the period/ year</b>                            | <b>108.62</b>                                               | <b>0.74</b>    | <b>1.11</b>   | <b>0.69</b>   |
| <b>Components of cash and cash equivalents</b>                                             |                                                             |                |               |               |
| Cash on hand                                                                               | -                                                           | 0.00           | 0.00          | 0.00          |
| Balances with banks:                                                                       |                                                             |                |               |               |
| - In current accounts                                                                      | 108.62                                                      | 0.74           | 1.11          | 0.69          |
| <b>Total cash and cash equivalents</b>                                                     | <b>108.62</b>                                               | <b>0.74</b>    | <b>1.11</b>   | <b>0.69</b>   |

## GENERAL INFORMATION

Our Company was incorporated as ‘*Nureca Private Limited*’, as a private limited company, under the Companies Act on November 2, 2016 and a certificate of incorporation was issued by Registrar of Companies, Central Registration Centre, at Delhi. The registered office of our Company was changed from Delhi to Mumbai, Maharashtra, pursuant to certificate of registration of regional director order dated January 8, 2019 for change of state issued by the RoC with effect from February 8, 2019. Pursuant to conversion into a public limited company pursuant to a special resolution passed in the extra ordinary general meeting of the shareholders of our Company held on June 19, 2020, the name of our Company was changed to our present name ‘*Nureca Limited*’ and a fresh certificate of incorporation was issued by the RoC on July 8, 2020.

### Registered Office

128 Gala Number Udyog Bhavan,  
1st Floor Sonawala Lane,  
Goregaon (East), Mumbai- 400063,  
Maharashtra, India.

**Website:** www.nureca.com

### Corporate Office

SCO 6 – 7 – 8, 1st Floor  
Sector 9 D  
Chandigarh, India.

**Registration Number:** 320868

**Corporate Identity Number:** U24304MH2016PLC320868

For details in relation to change in the location of the registered office of our Company, see “*History and Certain Corporate Matters*” on page 120.

### Address of the RoC

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

100, Everest  
Marine Drive  
Mumbai 400 002  
Maharashtra, India

### Board of Directors

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

| Name            | Designation                    | DIN      | Address                                                                                   |
|-----------------|--------------------------------|----------|-------------------------------------------------------------------------------------------|
| Saurabh Goyal   | Chairman and Managing Director | 00136037 | HNO 309, Sector 9-D, Chandigarh – 160 009, India.                                         |
| Smita Goyal     | Non-Executive Director         | 08929179 | HNO 309, Sector 9-D, Chandigarh – 160 009, India.                                         |
| Rajinder Sharma | Non-Executive Director         | 00317133 | 200, Green City, THE - Dera Bassi, Dhakoli, S.A.S Nagar, Mohali – 140 507, Punjab, India. |

| Name               | Designation          | DIN      | Address                                                                                                    |
|--------------------|----------------------|----------|------------------------------------------------------------------------------------------------------------|
| Vijay Kumar Sharma | Independent Director | 02449088 | B 2203, Lakshyachandi Heights, Krishna Vatika Marg, Goregaon (East), Mumbai – 400 063, Maharashtra, India. |
| Charu Singh        | Independent Director | 07822158 | D-72, Arya Nagar Apartments, IP Extension, Patparganj, Laxmi Nagar, East Delhi – 110 0092, India.          |
| Ruchita Agarwal    | Independent Director | 08941249 | D-1603, RNA Continental, Subhash Nagar, Chembur East, Mumbai-400071, Maharashtra, India.                   |

For brief profiles and further details of our Directors, please see “*Our Management*” on page 127.

#### Company Secretary and Compliance Officer

##### Gurvikram Singh

SCO 6 – 7 – 8, 1st Floor

Sector 9 D

Chandigarh, India.

**Telephone:** +91-172-5292900

**Email:** cs@nureca.com

#### Book Running Lead Manager

##### ITI Capital Limited

Naman Midtown, Wing A

20<sup>th</sup> Floor, Senapati Bapat Marg

Elphinstone (West), Mumbai - 400 013

Maharashtra, India

**Telephone:** + 91 22 4031 3371

**Email:** ipo.nureca@iticapital.in

**Investor Grievance:** investorgrievance@iticapital.in

**Website:** www.iticapital.in

**Contact Person:** Pallavi Shinde

**SEBI Registration No.:** INM000010924

#### Statement of inter-se allocation of responsibilities

ITI Capital Limited is the sole Book Running Lead Manager to the Issue and shall be responsible for the following activities:

| S. No | Activity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.    | Pre-issue due diligence of our Company's operations/ management/ business plans/ legal. Drafting and designing of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. The BRLM shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing of the same and drafting and approval of all statutory advertisements.                                                                      |
| 2.    | Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments.                                                                                                                                                                                                                                                                                                                                                                                                            |
| 3.    | <ul style="list-style-type: none"> <li>Appointment of Banker(s) to the Issue and printer.</li> <li>Appointment of advertising agency including co-ordination for agreements to appoint the ad agency and filing of media compliance report to SEBI.</li> <li>Appointment of Registrar to the Issue including co-ordination for agreements to appoint the Registrar to the Issue.</li> <li>Appointment of Monitoring Agency to the Issue including co-ordination for agreements to appoint the Monitoring Agency to the Issue.</li> </ul> |



| S. No | Activity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4.    | Drafting and approval of all publicity material other than statutory advertisement as mentioned in (1) above including corporate advertisement, brochure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 5.    | International institutional marketing including co-ordination for research briefing, allocation of investors for meetings and finalize roadshow schedules, preparation and finalisation of the road-show presentation and frequently asked questions.                                                                                                                                                                                                                                                                                                                                                                                                                |
| 6.    | Domestic institutional marketing including banks/ mutual funds and allocation of investors for meetings and finalizing road show schedules                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 7.    | Non-Institutional and Retail marketing of the Issue, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> <li>Formulating marketing strategies for Non-Institutional and Retail Investors;</li> <li>Finalising media, marketing and public relations strategy</li> <li>preparation of publicity budget, finalizing media and public relations strategy.</li> <li>Finalizing centres for holding conferences for brokers</li> <li>Finalizing collection centres; and</li> <li>Follow-up on distribution of publicity and Issue material including form, prospectus and deciding on the quantum of the Issue material.</li> </ul>                  |
| 8.    | Coordination with Stock Exchanges for book building process, filing of letters including software, bidding terminals, mock trading and anchor investor intimation, and payment of 1% security deposit to the designated stock exchange                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 9.    | Pricing and managing the book                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 10.   | Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc.                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 11.   | Post- Issue activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Issue and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and co-ordination with various agencies connected with the post- Issue activity such as registrar to the Issue, Bankers to the Issue, SCSBs including responsibility for underwriting arrangements, as applicable. |
| 12.   | Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Issue reports including the initial and final post Issue report to SEBI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

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

##### **M/s. Crawford Bayley & Co.**

State Bank Buildings, 4<sup>th</sup> Floor

N.G.N. Vaidya Marg, Fort

Mumbai 400 023

Maharashtra, India

**Telephone:** +91 22 2266 3353

**Email:** sanjay.asher@crawfordbayley.com

#### **Special Purpose International Legal Counsel to the BRLM**

##### **Squire Patton Boggs (MEA) LLP**

Dubai International Financial Centre (DIFC)

Burj Daman Office Tower, Level 10

P.O. BOX 111713

Dubai, United Arab Emirates

**Telephone:** +971 4 447 8700

#### **Syndicate Members**

##### **Antique Stock Broking Limited**

A wing, 20<sup>th</sup> Floor, Naman Midtown  
 Senapati Bapat Marg, Elphinstone,  
 Mumbai – 400 013, Maharashtra, India  
**Telephone:** +91 22 4031 3300  
**E-mail:** jignesh@antiquelimited.com  
**Website:** www.antiquelimited.com  
**Contact Person:** Jignesh P. Sangani  
**SEBI Registration No.:** INZ000001131

#### **ITI Securities Broking Limited**

A wing, 20<sup>th</sup> Floor, Naman Midtown,  
 Senapati Bapat Marg, Elphinstone Road,  
 Mumbai – 400 013, Maharashtra, India  
**Telephone:** +91 22 4027 3600  
**E-mail:** compliance@itiorg.com  
**Website:** www.itisb.co.in  
**Contact Person:** Diptika Sharad  
**SEBI Registration No.:** INZ00005835

#### **Registrar to the Issue**

#### **Link Intime India Private Limited**

C-101, 1st floor, 247 Park  
 L.B.S. Marg, Vikhroli (West)  
 Mumbai 400 083,  
 Maharashtra, India.  
**Telephone:** +91 22 4918 6200  
**E-mail:** nureca.ipo@linkintime.co.in  
**Investor Grievance:** nureca.ipo@linkintime.co.in  
**Website:** www.linkintime.co.in  
**Investor grievance e-mail:** nureca.ipo@linkintime.co.in  
**Contact Person:** Shanti Gopalkrishnan

#### **Statutory Auditor to our Company**

#### **B S R & Co. LLP,**

Chartered Accountants  
 Unit No. A505(A), 5<sup>th</sup> Floor,  
 Plot No.178-179A,  
 Industrial & Business Park, Phase-I,  
 Chandigarh - 160002, India  
**Telephone:** +91 172 664 4000  
**E-mail:** gmahajan@bsraffiliates.com  
**Contact Person:** Gaurav Mahajan  
**Firm Registration Number:** 101248W/W-100022  
**Peer Review No.:** 011748

Except as disclosed below, there are no changes to our statutory auditors in the last three years:

| <b>Particulars</b>                                                                                                                                                                     | <b>Date of change</b> | <b>Reason for change</b>                                                                                                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------|
| <b>B S R &amp; Co. LLP,</b><br><b>Chartered Accountants</b><br>Unit No. A505A, 5th Floor,<br>Elante Offices, Plot No.178-178A,<br>Industrial Area Phase I<br>Chandigarh- 160002, India | July 30, 2020         | Appointment as Statutory Auditor to fill up the casual vacancy due to resignation of Kumar Nohria & Co., Chartered Accountants |

|                                                                                                                           |               |             |
|---------------------------------------------------------------------------------------------------------------------------|---------------|-------------|
| <b>Kumar Nohria &amp; Co.,</b><br><b>Chartered Accountants</b><br>H. No. 1472, Sector 22-B,<br>Chandigarh- 160 022, India | July 10, 2020 | Resignation |
|---------------------------------------------------------------------------------------------------------------------------|---------------|-------------|

### **Bankers to our Company**

#### **ICICI Bank Limited**

SCO 143 A, 2<sup>nd</sup> and 3<sup>rd</sup> Floor,  
City Emporium Industrial Area Phase 1,  
Chandigarh (T) – 160 002.

**Contact Person:** Akshita Garg

**Telephone:** +91 70090 26077

**E-mail ID:** akshita.garg@icicibank.com

### **Banker(s) to the Issue**

### **Banker(s) to the Issue/ Escrow Collection Bank/ Refund Bank / Sponsor Bank**

#### **ICICI Bank Limited**

Capital Market Division, 1st Floor,  
122, Mistry Bhavan, Dinshaw Vachha Road,  
Backbay Reclamation, Churchgate,  
Mumbai – 400020

**Telephone:** +91 22 6681 8911/23/24

**E-mail:** kmr.saurabh@icicibank.com

**Website:** www.icicibank.com

**Contact Person:** Saurabh Kumar

**SEBI Registration No.:** INBI00000004

### **Designated Intermediaries**

### **Self Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as SCSBs under the BTI Regulations for the ASBA process is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> or <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>, as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and updated from time to time. For details of the list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries and as updated from time to time, please refer to the above-mentioned link.

### **Registered Brokers**

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 BSE and NSE at [www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx) and [www.nseindia.com/products/content/equities/ipos/ipo\\_mem\\_terminal.htm](http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm), respectively, as updated from time to time.

### **Syndicate SCSB Branches**

In relation to Bids (other than Bids by Anchor Investor) 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

(<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the members of Syndicate at Specified Locations, see the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>).

### **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 numbers, and e-mail address, are provided on the websites the BSE and NSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, or such other websites 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 name and contact details, are provided on the websites of the BSE and NSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, or such other websites as updated from time to time.

### **Expert**

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

Our Company has received written consent dated January 29, 2021 from our Statutory Auditor, namely, B S R & Co. LLP, Chartered Accountants to include their name as required under section 26 of the Companies Act, 2013, in this Red Herring Prospectus and as an ‘expert’ as defined under Section 2(38) of the Companies Act, 2013, in relation to its examination reports, dated January 19, 2021 on the Restated Consolidated Financial Information and the report on Statement of Possible Tax Benefits dated January 29, 2021 and such consent has not been withdrawn as of the date of this Red Herring Prospectus. The term ‘expert’ and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

### **Grading of the Issue**

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Issue.

### **Trustees**

As this is an issue of Equity Shares, there are no trustees appointed for the Issue.

### **Monitoring Agency**

As the Issue is not in excess of ₹ 1,000.00 million, we are not required to appoint a monitoring agency in accordance with the terms of Regulation 41 of the SEBI ICDR Regulations.

### **Green Shoe Option**

No green shoe option is contemplated under the Issue.

### **Appraising Entity**

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

### **Credit Rating**

As this is an issue of Equity Shares, there is no credit rating required for the Issue.

## Filing

A copy of the Draft Red Herring Prospectus was filed with SEBI at Corporation Finance Department, Division of Issues and Listing, SEBI Bhavan, Plot No. C4 A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 and simultaneously through the SEBI Intermediary Portal at <https://siportal.sebi.gov.in>, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018. Further, a copy of the Draft Red Herring Prospectus was filed electronically at [cfddl@sebi.gov.in](mailto:cfddl@sebi.gov.in), in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to “*Easing of Operational Procedure –Division of Issues and Listing –CFD*”

This Red Herring Prospectus, along with the material contracts and documents referred to in this Red Herring Prospectus has been filed, delivered to the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013, will be delivered to the RoC at its office.

## Book Building Process

Book building, in the context of the Issue, refers to the process of collection of Bids from Bidders on the basis of this Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot size will be decided by our Company in consultation with the BRLM and advertised in all editions of English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and Mumbai editions of Marathi newspaper Navshakti (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 in accordance with SEBI ICDR Regulations and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Issue Price shall be determined by our Company in consultation with the BRLM after the Bid / Issue Closing Date.

**All Bidders, except Anchor Investors, shall mandatorily participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate in the Issue through the ASBA process. Pursuant to the UPI Circulars, Retail Individual Bidders may also participate in this Issue through UPI in the ASBA process. In accordance with the SEBI ICDR Regulations, QIBs bidding in the 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. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid / Issue Period and withdraw their Bids until the Bid / Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid / Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.**

Each Bidder by submitting a Bid in Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

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 has appointed the BRLM to manage this Issue and procure Bids for this Issue. The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and are subject to change from time to time. Bidders are advised to make their own judgement about an investment through this process prior to submitting a Bid.

The process of Book Building is in accordance with the guidelines, rules and regulations prescribed by SEBI under the SEBI ICDR Regulations and the Bidding Processes are subject to change from time to time. Investors are advised to make their own judgment about investment through this process prior to submitting a Bid in this Issue.

Bidders should note that this 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.

For further details, see “*Issue Structure*” and “*Issue Procedure*” beginning on pages 266 and 270, respectively.

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

For an illustration of the Book Building Process and the price discovery process, see “Issue Procedure” on page 270.

### Underwriting Agreement

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company intend to enter into the Underwriting Agreement with the Underwriters for the Equity Shares. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

| Name, address, telephone number and email of the Underwriters | Indicative Number of the Equity Shares to be Underwritten | Amount Underwritten (₹ million) |
|---------------------------------------------------------------|-----------------------------------------------------------|---------------------------------|
| [●]                                                           | [●]                                                       | [●]                             |

The above-mentioned is indicative underwriting and will be finalised after determination and finalisation of the Issue price, Basis of Allotment and actual allocation, subject to the provisions of the SEBI ICDR Regulations.

In the opinion of the Board of Directors, the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board of Directors/ IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment. Notwithstanding the above table, the Underwrites shall be severally and not jointly responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers or subscribe to Equity Shares to the extent of the defaulted amount in accordance with and subject to the terms of the Underwriting Agreement. The underwriting arrangement stated above shall not apply to the applications by the ASBA Bidders in the Issue, except for ASBA Bids procured by any member of the Syndicate. The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and will be executed after the determination of the Issue Price, but prior to the filing of the Prospectus with the RoC.

## CAPITAL STRUCTURE

The share capital of our Company as at the date of this Red Herring Prospectus, is set forth below:

| <i>(in ₹ million, except share data)</i>                                                |                                                                |                                              |
|-----------------------------------------------------------------------------------------|----------------------------------------------------------------|----------------------------------------------|
|                                                                                         | Aggregate nominal value at face value of ₹ 10 per equity share | Aggregate value at Issue Price <sup>1)</sup> |
| <b>A) AUTHORISED SHARE CAPITAL</b>                                                      |                                                                |                                              |
| 11,000,000 Equity Shares of ₹ 10 each <sup>2)</sup>                                     | 110.00                                                         | -                                            |
| <b>B) ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL BEFORE THE ISSUE</b>                 |                                                                |                                              |
| 7,500,000 Equity Shares of ₹ 10 each                                                    | 75.00                                                          | -                                            |
| <b>C) PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS</b>                         |                                                                |                                              |
| Up to [●] Equity Shares of ₹ 10 each aggregating up to ₹ 1,000.00 million <sup>3)</sup> | [●]                                                            | [●]                                          |
| <i>Which includes:</i>                                                                  |                                                                |                                              |
| Employee Reservation Portion of up to [●] Equity Shares of ₹ 10 each <sup>4)</sup>      | [●]                                                            | [●]                                          |
| Net Issue of [●] Equity Shares of ₹ 10 each                                             | [●]                                                            | [●]                                          |
| <b>D) ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE</b>                  |                                                                |                                              |
| [●] Equity Shares of ₹ 10 each                                                          | [●]                                                            |                                              |
| <b>E) SECURITIES PREMIUM ACCOUNT</b>                                                    |                                                                |                                              |
| Before the Issue                                                                        |                                                                | 45.00                                        |
| After the Issue                                                                         |                                                                | [●]                                          |

\* Employee Discount may be offered to Eligible Employees Bidding in the Employee Reservation Portion.

1) To be finalized upon determination of the Issue Price.

2) For details in relation to the changes in the authorised share capital of our Company, see “History and Certain Corporate Matters – Amendments to the Memorandum of Association” on page 120.

3) The Issue has been authorised by our Board pursuant to a resolution passed at its meeting held on September 3, 2020, and by our Shareholders pursuant to a resolution passed at the EGM held on September 4, 2020.

4) The Issue includes a reservation of up to [●] Equity Shares aggregating to ₹10.00 million for subscription by Eligible Employees. The Issue less Employee Reservation Portion is referred to as the Net Issue.

### Notes to Capital Structure

#### 1. Share capital history

History of Equity Share capital of our Company

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

| Date of allotment | No. of Equity Shares allotted | Face value per Equity Share (₹) | Issue price per Equity Share (₹) | Nature of consideration | Nature of transaction                                        | Cumulative number of Equity Shares | Cumulative paid up equity share capital (₹) |
|-------------------|-------------------------------|---------------------------------|----------------------------------|-------------------------|--------------------------------------------------------------|------------------------------------|---------------------------------------------|
| November 2, 2016  | 10,000                        | 10                              | 10                               | Cash                    | Subscription to the Memorandum of Association <sup>(1)</sup> | 10,000                             | 100,000                                     |

| Date of allotment | No. of Equity Shares allotted | Face value per Equity Share (₹) | Issue price per Equity Share (₹) | Nature of consideration | Nature of transaction                                               | Cumulative number of Equity Shares | Cumulative paid up equity share capital (₹) |
|-------------------|-------------------------------|---------------------------------|----------------------------------|-------------------------|---------------------------------------------------------------------|------------------------------------|---------------------------------------------|
| June 10, 2020     | (10,000)                      | 10                              | -                                | -                       | Cancellation of Equity Shares pursuant to the Scheme of Arrangement | -                                  | -                                           |
| June 10, 2020     | 1,000,000                     | 10                              | -                                | Other than cash         | Allotment pursuant to the Scheme of Arrangement <sup>(2)</sup>      | 1,000,000                          | 10,000,000                                  |
| September 3, 2020 | 6,000,000                     | 10                              | -                                | -                       | Bonus issue in the ratio of 6:1 <sup>(3)</sup>                      | 7,000,000                          | 70,000,000                                  |
| October 21, 2020  | 500,000                       | 10                              | 100                              | Cash                    | Private placement <sup>(4)</sup>                                    | 7,500,000                          | 75,000,000                                  |

(1) Allotment of 4,999 Equity Shares to Payal Goyal, 4,999 Equity Shares to Smita Goyal and 2 Equity Shares to Gaganpreet Garg;

(2) Allotment of 500,000 Equity Shares each to Payal Goyal and Saurabh Goyal. For further details in relation to the Scheme of Arrangement, see “History and Certain Corporate Matters” on page 120.

(3) Allotment of 2,999,982 Equity Shares to Saurabh Goyal, 2,999,982 Equity Shares to Payal Goyal, 12 Equity Shares to Nectar Biopharma Private Limited, 6 Equity Shares to Aryan Goyal, 6 Equity Shares to Raman Goyal, 6 Equity Shares to Smita Goyal and 6 Equity Shares to Rajneesh Kaushal pursuant to a bonus issue in the ratio of 6:1.

(4) Allotment of 441,000 Equity Shares to Yash Shares and Stock Private Limited, 30,000 Equity Shares to Tushar Bhupatlal Sarda, 10,000 Equity Shares to Neha Bhalla, 3,000 Equity Shares to Vinayak Sharma, 2,000 Equity Shares to Debashree Choudhury Chakraborty, 1,000 Equity Shares to Ayush Devang Master, 2,000 Equity Shares to Deepali, 4,000 Equity Shares to Devindraben R Sanghvi, 1,000 Equity Shares to Nishil Ramesh Shah, 3,000 Equity Shares to Krishna Prakash, 1,000 Equity Shares to Simpal Ajay Kothari, 1,000 Equity Shares to Sudha Muddaiah and 1,000 Equity Shares to Sarika Adarsh Bagaria;

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

### 3. Issue of Equity Shares for consideration other than cash or through bonus

Except as set out below, our Company has not issued Equity Shares for consideration other than cash or through bonus issue:

| Date of allotment/date when fully paid up | Number of Equity Shares | Face value (₹) | Name of allottee             | No of Equity Shares allotted | Reasons for allotment                           | Benefits accrued to our Company                                                                                                        |
|-------------------------------------------|-------------------------|----------------|------------------------------|------------------------------|-------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| June 10, 2020                             | 1,000,000               | 10             | Payal Goyal<br>Saurabh Goyal | 500,000<br>500,000           | Allotment pursuant to the Scheme of Arrangement | Please see “History and Certain Corporate Matters – Scheme of Arrangement under section 230 and 234 of the Companies Act” on page 120. |
| September 3, 2020                         | 6,000,000               | 10             | Payal Goyal<br>Saurabh Goyal | 2,999,982<br>2,999,982       |                                                 | -                                                                                                                                      |



| Date of allotment/when fully paid up | Number of Equity Shares | Face value (₹) | Name of allottee                 | No of Equity Shares allotted | Reasons for allotment       | Benefits accrued to our Company |
|--------------------------------------|-------------------------|----------------|----------------------------------|------------------------------|-----------------------------|---------------------------------|
|                                      |                         |                | Nectar Biopharma Private Limited | 12                           | Bonus issue in the ratio of |                                 |
|                                      |                         |                | Aryan Goyal                      | 6                            | 6:1 <sup>1)</sup>           |                                 |
|                                      |                         |                | Smita Goyal                      | 6                            |                             |                                 |
|                                      |                         |                | Raman Goyal                      | 6                            |                             |                                 |
|                                      |                         |                | Rajneesh Kaushal                 | 6                            |                             |                                 |

1) Allotment of 6,000,000 Equity Shares pursuant to capitalisation of ₹ 60,000,000 out of the securities premium account/free reserves of our Company, to holders of Equity Shares as at September 2, 2020

For further details, see “Capital Structure – Notes to Capital Structure – Share Capital History – 1. History of Equity Shares capital of our Company” on page 61.

4. Our Company has not issued any bonus shares out of capitalisation of its revaluation reserves or unrealised profits.

#### 5. Issue of Equity Shares at a price lower than the Issue price in the last year

Details of issue of Equity Shares at a price which may be lower than the Issue Price during a period of one year preceding the date of this Red Herring Prospectus are set forth in the table below.

| Date of allotment | Number of Equity Shares | Face value (₹) | Issue price per Equity Share (₹) | Name of allottee                      | No of Equity Shares allotted | Reasons for allotment |
|-------------------|-------------------------|----------------|----------------------------------|---------------------------------------|------------------------------|-----------------------|
| October 21, 2020  | 500,000                 | 10             | 100                              | Yash Shares and Stock Private Limited | 441,000                      | Private placement     |
|                   |                         |                |                                  | Tushar Bhupatlal Sarda                | 30,000                       |                       |
|                   |                         |                |                                  | Neha Bhalla                           | 10,000                       |                       |
|                   |                         |                |                                  | Vinayak Sharma                        | 3,000                        |                       |
|                   |                         |                |                                  | Debashree Choudhury Chakraborty       | 2,000                        |                       |
|                   |                         |                |                                  | Ayush Devang Master                   | 1,000                        |                       |
|                   |                         |                |                                  | Deepali                               | 2,000                        |                       |
|                   |                         |                |                                  | Devindraben R Sanghvi                 | 4,000                        |                       |
|                   |                         |                |                                  | Nishil Ramesh Shah                    | 1,000                        |                       |
|                   |                         |                |                                  | Krishna Prakash                       | 3,000                        |                       |
|                   |                         |                |                                  | Simpal Ajay Kothari                   | 1,000                        |                       |
|                   |                         |                |                                  | Sudha Muddaiah                        | 1,000                        |                       |
|                   |                         |                |                                  | Sarika Adarsh Bagaria                 | 1,000                        |                       |

#### 6. History of build-up, Promoters' contribution and lock-in of Promoters' shareholding

As on the date of this Red Herring Prospectus, our Promoter holds 3,499,979 Equity Shares, constituting 46.67% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company. The details regarding our Promoters' shareholding is set out below.

#### Build-up of Promoters' shareholding in our Company

## Equity shareholding

Set forth below is the build-up of the equity shareholding of our Promoter since incorporation of our Company:

| Date of allotment/transfer | Number of Equity Shares | Nature of consideration | Face value per Equity Share (₹) | Issue/acquisition price per Equity Share (₹) | Nature of Transaction                           | % of the pre-Issue Equity Share capital | % of the post-Issue Equity Share capital |
|----------------------------|-------------------------|-------------------------|---------------------------------|----------------------------------------------|-------------------------------------------------|-----------------------------------------|------------------------------------------|
| <b>Saurabh Goyal</b>       |                         |                         |                                 |                                              |                                                 |                                         |                                          |
| June 10, 2020              | 500,000                 | Other than cash         | 10                              | -                                            | Allotment pursuant to the Scheme of Arrangement | 6.67                                    | [●]                                      |
| June 10, 2020              | (1)                     | Cash                    | 10                              | 10                                           | Transfer to Nectar Biopharma Private Limited    | (0.00)*                                 | [●]                                      |
| June 10, 2020              | (1)                     | Cash                    | 10                              | 10                                           | Transfer to Smita Goyal                         | (0.00)*                                 | [●]                                      |
| June 10, 2020              | (1)                     | Cash                    | 10                              | 10                                           | Transfer to Raman Goyal                         | (0.00)*                                 | [●]                                      |
| September 3, 2020          | 2,999,982               | -                       | 10                              | -                                            | Bonus issue in the ratio of 6:1                 | 40.00                                   | [●]                                      |
| <b>Total</b>               | <b>3,499,979</b>        |                         |                                 |                                              |                                                 | <b>46.67</b>                            |                                          |

\* Less than 0.01 per cent

All the Equity Shares held by our Promoter was fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoter are pledged as on the date of this Red Herring Prospectus.

## Details of Promoters' contribution locked-in for three years

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue capital of our Company held by our Promoter shall be locked-in as minimum promoters' contribution for a period of three years from the date of Allotment ("Minimum Promoters' Contribution") and the shareholding of the Promoter 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.

As on the date of this Red Herring Prospectus, our Promoter hold 3,499,979 Equity Shares, constituting 46.67% of our Company's paid-up Equity Share capital, of which 3,499,979 Equity Shares, constituting 46.67% of our Company's paid-up Equity Share capital, are eligible for Promoters' Contribution.

Saurabh Goyal has, pursuant to the letter dated January 27, 2021, given consent to include such number of Equity Shares held by him as may constitute 20% of the fully diluted post-Issue equity share capital of our Company as Promoters' Contribution and have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of this Red Herring Prospectus, until the commencement of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations. Details of Promoters' Contribution are as provided below:

| Name of the Promoter | No. of Equity Shares locked-in | Date of transaction | Nature of transaction | Face value (₹) | Issue Price (₹) | Allotment/ acquisition price (₹) | % of the pre-Issue Equity Share capital | % of the post-Issue Equity Share capital | Date up to which the Equity Shares are subject to lock-in |
|----------------------|--------------------------------|---------------------|-----------------------|----------------|-----------------|----------------------------------|-----------------------------------------|------------------------------------------|-----------------------------------------------------------|
| Saurabh Goyal        | [•]                            | [•]                 | [•]                   | 10             | [•]             | [•]                              | [•]                                     | [•]                                      | [•]                                                       |
| <b>Total</b>         | [•]                            |                     |                       |                |                 |                                  | [•]                                     | [•]                                      |                                                           |

Our Promoter has confirmed to our Company and the BRLM that the acquisition of the Equity Shares held by him and which will be locked-in as the Promoters' Contribution have been financed from personal funds/ internal accruals and no loans or financial assistance from any banks or financial institution has been availed for such purpose.

The Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot, as required under the SEBI ICDR Regulations.

The Equity Shares that are being locked-in for computation of Promoters' Contribution are not, and will not be, ineligible under Regulation 15 of the SEBI ICDR Regulations. In particular, these Equity Shares do not, and shall not, consist of:

1. The Equity Shares offered for Promoters' contribution do not include Equity Shares acquired in the three immediately preceding years for consideration other than cash, and revaluation of assets or capitalisation of intangible assets, or resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or bonus issue against Equity Shares, which are otherwise ineligible for computation of Promoters' contribution;
2. The Promoters' 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 offered to the public in the Issue;
3. Equity Shares issued to the Promoter upon conversion of a partnership firm;
4. The Equity Shares forming part of the Promoters' contribution are not subject to any pledge; and
5. All the Equity Shares held by our Promoters are held in dematerialised form prior to filing of this Red Herring Prospectus.

#### Other lock-in requirements

- a. In addition to the 20% of the fully diluted post-Issue shareholding of our Company held by the Promoter and locked in for three years as specified above, the entire pre-Issue Equity Share capital of our Company, other than the Equity Shares Allotted pursuant to the Issue will be locked-in for a period of one year from the date of Allotment.
- b. Pursuant to Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by the Promoter, which are locked-in may be transferred to and among the members of the promoter group or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.
- c. Pursuant to Regulation 21(a) of the SEBI ICDR Regulations, the Equity Shares held by the Promoter, which are locked-in for a period of three years from the date of Allotment may be pledged only with scheduled commercial

banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

- d. Pursuant to Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoter which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.
- e. Further, pursuant to Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters and locked-in for a period of one year from the date of Allotment in the Issue 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 compliance with the SEBI Takeover Regulations.
- f. Any Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

## 7. Shareholding of the members of our Promoter Group

Provided below are details of Equity Shares held by the members of our promoter group as on the date of this Red Herring Prospectus:

| Sr. No       | Name of shareholder              | Pre - Issue          |                                     |
|--------------|----------------------------------|----------------------|-------------------------------------|
|              |                                  | No. of Equity Shares | Percentage of pre-Issue capital (%) |
| 1.           | Saurabh Goyal                    | 3,499,979            | 46.67                               |
| 2.           | Payal Goyal                      | 3,499,979            | 46.67                               |
| 3.           | Aryan Goyal                      | 7                    | 0.00*                               |
| 4.           | Smita Goyal                      | 7                    | 0.00*                               |
| 5.           | Nectar Biopharma Private Limited | 21                   | 0.00*                               |
| <b>Total</b> |                                  | <b>6,999,993</b>     | <b>93.33</b>                        |

\* Less than 0.01 per cent

## 8. Our shareholding pattern

The table below represents the equity shareholding pattern of our Company as on the date of this Red Herring Prospectus:

| Category (I) | Category of shareholder (II)   | Nos. of share holders (III) | No. of paid up Equity Shares (IV) | No. of fully held Shares (V) | No. of Partly paid up Equity Shares held (VI) | No. of shares underlying Depository Receipts (VI) | Total nos. of shares held (VII)= (IV) + (V) + (VI) | Shareholding as a % of total no. 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) |                       | No. of Shares Underlying Outstanding convertible securities (including Warrants) (X) | Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII) + (X) As a % of (A +B+C2) | Number of Locked in shares (XII) |                                 | Number of Shares pledged or otherwise encumbered (XIII) |      | Number of Equity Shares held in dematerialized form(XIV) |
|--------------|--------------------------------|-----------------------------|-----------------------------------|------------------------------|-----------------------------------------------|---------------------------------------------------|----------------------------------------------------|-----------------------------------------------------------------------------------------------------|---------------------------------------------------------------|-----------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|---------------------------------|---------------------------------------------------------|------|----------------------------------------------------------|
|              |                                |                             |                                   |                              |                                               |                                                   |                                                    |                                                                                                     | No of Voting Rights                                           |                       |                                                                                      |                                                                                                                                                        | No . (a)                         | As a % of total Shares held (b) |                                                         |      |                                                          |
|              |                                |                             |                                   |                              |                                               |                                                   |                                                    |                                                                                                     | Class-Equity Shares                                           | Total as % of (A+B+C) |                                                                                      |                                                                                                                                                        |                                  |                                 |                                                         |      |                                                          |
| (A)          | Promoter and Promoter Group    | 5                           | 6,999,993                         | -                            | -                                             | -                                                 | 6,999,993                                          | 93.33                                                                                               | 6,999,993                                                     | 93.33                 | -                                                                                    | 93.33                                                                                                                                                  | -                                | 0.00                            | -                                                       | 0.00 | 6,999,993                                                |
| (B)          | Public                         | 14                          | 5,00,007                          | -                            | -                                             | -                                                 | 5,00,007                                           | 6.67                                                                                                | 5,00,007                                                      | 6.67                  | -                                                                                    | 6.67                                                                                                                                                   | -                                | 0.00                            | -                                                       | 0.00 | 5,00,007                                                 |
| (C)          | Non Promoter-Non Public        | -                           | -                                 | -                            | -                                             | -                                                 | -                                                  | 0.00                                                                                                | -                                                             | 0.00                  | -                                                                                    | -                                                                                                                                                      | -                                | 0.00                            | -                                                       | 0.00 | -                                                        |
| (C1)         | Shares Underlying DRs          | -                           | -                                 | -                            | -                                             | -                                                 | -                                                  | 0.00                                                                                                | -                                                             | 0.00                  | -                                                                                    | -                                                                                                                                                      | -                                | 0.00                            | -                                                       | 0.00 | -                                                        |
| (C2)         | Shares held by Employee Trusts | -                           | -                                 | -                            | -                                             | -                                                 | -                                                  | 0.00                                                                                                | -                                                             | 0.00                  | -                                                                                    | -                                                                                                                                                      | -                                | 0.00                            | -                                                       | 0.00 | -                                                        |
| (C3)         | Shares underlying ESOP's       | -                           | -                                 | -                            | -                                             | -                                                 | -                                                  | 0.00                                                                                                | -                                                             | 0.00                  | -                                                                                    | -                                                                                                                                                      | -                                | 0.00                            | -                                                       | 0.00 | -                                                        |
|              | <b>Total</b>                   | 19                          | 75,00,000                         | -                            | -                                             | -                                                 | 75,00,000                                          | 100.00                                                                                              | 75,00,000                                                     | 100.00                | -                                                                                    | 100.00                                                                                                                                                 | -                                | -                               | -                                                       | -    | 75,00,000                                                |

## 9. Details of Equity Shareholding of the Shareholders of our Company

The major Equity Shareholders holding 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them as on the date of this Red Herring Prospectus are set forth in the table below:

| S. No. | Name of shareholder                   | Number of Equity Shares on a fully diluted basis | Percentage of the pre- Issue Equity Share capital (%) on a fully diluted basis |
|--------|---------------------------------------|--------------------------------------------------|--------------------------------------------------------------------------------|
| 1.     | Saurabh Goyal                         | 3,499,979                                        | 46.67                                                                          |
| 2.     | Payal Goyal                           | 3,499,979                                        | 46.67                                                                          |
| 3.     | Yash Shares and Stock Private Limited | 441,000                                          | 5.88                                                                           |
|        | <b>Total</b>                          | <b>7,440,958</b>                                 | <b>99.21</b>                                                                   |

The major Equity Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them 10 days prior to the date of this Red Herring Prospectus are set forth in the table below:

| S. No. | Name of shareholder                   | Number of Equity Shares on a fully diluted basis | Percentage of the pre- Issue Equity Share capital (%) on a fully diluted basis |
|--------|---------------------------------------|--------------------------------------------------|--------------------------------------------------------------------------------|
| 1.     | Saurabh Goyal                         | 3,499,979                                        | 46.67                                                                          |
| 2.     | Payal Goyal                           | 3,499,979                                        | 46.67                                                                          |
| 3.     | Yash Shares and Stock Private Limited | 441,000                                          | 5.88                                                                           |
|        | <b>Total</b>                          | <b>7,440,958</b>                                 | <b>99.21</b>                                                                   |

The major Equity Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them one year prior to the date of this Red Herring Prospectus are set forth in the table below:

| S. No. | Name of shareholder              | Number of Equity Shares on a fully diluted basis | Percentage of the pre- Issue Equity Share capital (%) on a fully diluted basis |
|--------|----------------------------------|--------------------------------------------------|--------------------------------------------------------------------------------|
| 1.     | Nectar Biopharma Private Limited | 9,999                                            | 100.00                                                                         |
| 2.     | Saurabh Goyal <sup>#</sup>       | 1                                                | 0.00                                                                           |
|        | <b>Total</b>                     | <b>10,000</b>                                    | <b>100.00</b>                                                                  |

*# as a nominee of Nectar Biopharma Private Limited*

The major Equity Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of shares held by them two years prior to the date of this Red Herring Prospectus are set forth in the table below:

| S. No. | Name of shareholder              | Number of Equity Shares on a fully diluted basis | Percentage of the pre- Issue Equity Share capital (%) on a fully diluted basis |
|--------|----------------------------------|--------------------------------------------------|--------------------------------------------------------------------------------|
| 1.     | Nectar Biopharma Private Limited | 9,999                                            | 100.00                                                                         |
| 2.     | Saurabh Goyal <sup>#</sup>       | 1                                                | 0.00                                                                           |
|        | <b>Total</b>                     | <b>10,000</b>                                    | <b>100.00</b>                                                                  |

*# as a nominee of Nectar Biopharma Private Limited*

10. Our Company does not have any employee stock option plan or employee stock purchase scheme for our employees.

11. Except as disclosed in “*Capital Structure– Notes to Capital Structure*” on page 61, as on the date of this Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 232 of the Companies Act, 2013.
12. Our Company, our Directors or the BRLM have not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares or other specified securities of our Company.
13. Except as disclosed in “*Capital Structure – Notes to Capital Structure*” on page 61, none of the members of the Promoter Group or Directors and their immediate relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Red Herring Prospectus.
14. There have been no financing arrangements whereby our Promoter, our Directors, and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity, during a period of six months preceding the date of filing of this Red Herring Prospectus.
15. Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Red Herring Prospectus.
16. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Red Herring Prospectus until the Equity Shares have been listed. Further, there is no proposal or intention, negotiations and consideration of the Company to alter the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public offer of specified securities, within a period of six months from the date of opening of the Issue.

#### **17. Shareholding of our Directors and Key Managerial Personnel in our Company**

Other than as set forth below, none of the Directors and Key Managerial Personnel hold Equity Shares as on the date of this Red Herring Prospectus:

| <b>Sr. No.</b> | <b>Name</b>   | <b>Designation</b>             | <b>No. of Equity Shares</b> | <b>Percentage of pre-Issue capital (%)</b> |
|----------------|---------------|--------------------------------|-----------------------------|--------------------------------------------|
| 1.             | Saurabh Goyal | Chairman and Managing Director | 3,499,979                   | 46.67                                      |
| 2.             | Aryan Goyal   | Chief Executive Officer        | 7                           | 0.00*                                      |
| 3.             | Smita Goyal   | Non-Executive Director         | 7                           | 0.00*                                      |

\* Less than 0.01 per cent

18. As on the date of this Red Herring Prospectus, our Company has 19 shareholders.
19. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus.
20. As on the date of this Red Herring Prospectus, the BRLM and their respective associates, as defined under the Securities and Exchanges Board of India (Merchant Bankers) Regulations, 1992, as amended do not hold any Equity Shares.
21. Our Company shall ensure that any transaction in the Equity Shares by the Promoter and the promoter group during the period between the date of filing of this Red Herring Prospectus and the date of closure of the Issue shall be reported to the Stock Exchanges within 24 hours of such transaction.

## OBJECTS OF THE ISSUE

### Objects of the Issue

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

1. Funding incremental working capital requirements of our Company; and
2. General corporate purposes.

(Collectively, referred to herein as the “Objects”).

Further, our Company expects to receive the benefits of listing of the Equity Shares, including to enhance our visibility and our brand image among our existing and potential customers and creation of a public market for our Equity Shares in India. The objects clause in our Memorandum of Association enables us to undertake the activities proposed to be funded from the Net Proceeds.

### Net Proceeds

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

| Particulars                                             | Estimated Amount (in ₹ million) |
|---------------------------------------------------------|---------------------------------|
| Gross proceeds from the Issue                           | 1,000.00                        |
| Less: Issue related expenses to be borne by our Company | [●]                             |
| Net Proceeds*                                           | [●]                             |

\*Will be incorporated after finalization of the Issue Price and updated in the Prospectus at the time of filing with the RoC.

### Means of Finance

The fund requirements set out for the aforesaid objects of the Issue are proposed to be met from the Net Proceeds and our internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue or through existing identifiable internal accruals as required under Regulation 7 (1) (e) the SEBI ICDR Regulations.

### Requirement of Funds, Utilisation of Net Proceeds and Schedule of Implementation

The Net Proceeds are proposed to be utilised in accordance with the details provided in the following table:

| (in ₹ million)                                                  |                                                                 |                                                                 |                                                                 |        |  |
|-----------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|--------|--|
| Particulars                                                     | Estimated schedule of deployment of Net Proceeds in Fiscal 2021 | Estimated schedule of deployment of Net Proceeds in Fiscal 2022 | Estimated schedule of deployment of Net Proceeds in Fiscal 2023 | Total  |  |
| Funding incremental working capital requirements of our Company | 100.00                                                          | 500.00                                                          | 150.00                                                          | 750.00 |  |
| General corporate purposes*                                     | [●]                                                             | [●]                                                             | [●]                                                             | [●]    |  |
| <b>Total</b>                                                    | [●]                                                             | [●]                                                             | [●]                                                             | [●]    |  |

\*To be finalized upon determination of Issue Price. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.



The requirement and deployment of funds as indicated above are based on our internal management estimates, prevailing market conditions and have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as, change in cost, financial and market conditions, business and strategy and interest/exchange rate fluctuations or other external factors, which may not be within the control of our management. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable law. For details, see “*Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency, which may affect our business and results of operations.*” on page 25.

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned objects during Fiscals 2021, 2022 and 2023. In the event, our Company is unable to utilise the Net Proceeds per the estimated schedule of deployment due to any reason, including, *inter alia*, (i) economic and business conditions; (ii) timely completion of the Issue; (iii) market conditions outside the control of our Company; and (iv) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent Fiscals as may be determined by our Company, in accordance with applicable laws.

In case of any surplus after utilization of the Net Proceeds towards the aforementioned objects, we may use such surplus towards general corporate purposes, provided that the total amount to be utilized towards general corporate purposes does not exceed 25% of the gross proceeds of the Issue in accordance with applicable law. Further, in case of any variations in the actual utilisation of funds earmarked towards the objects set forth above, then any increased fund requirements for a particular object may be financed by surplus funds (subject to utilisation towards general corporate purposes does not exceeding 25% of the gross proceeds of the Issue), if any, available in respect of the other objects for which funds are being raised in this Issue. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the aforementioned objects, we may explore a range of options including utilising our internal accruals and seeking additional debt from lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

## Details of Objects of the Issue

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

We propose to utilise ₹ 750 million from the Net Proceeds to fund our Company’s incremental working capital requirements. Our Company’s business is working capital intensive and we fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and equity. Our Company requires working capital primarily for funding future growth requirements of our Company and for other strategic, business and corporate purposes.

### Basis of estimation of working capital requirements

The details of our Company’s existing working capital as at March 31, 2020 based on the Audited Standalone Financial Information along with the sources of funding are as set forth below:

| (In ₹ million)                  |               |
|---------------------------------|---------------|
| Particulars                     | Fiscal 2020   |
| <b>Current Assets</b>           |               |
| Inventories                     | 144.13        |
| Trade Receivables               | 128.97        |
| Cash and Cash Equivalents       | 0.39          |
| Short Term Loans and Advances   | 33.16         |
| <b>Total Current Assets (A)</b> | <b>306.65</b> |
| <b>Current Liabilities</b>      |               |
| Trade Payables                  | 38.39         |
| Other Current Liabilities       | 8.58          |

| <b>Particulars</b>                             | <b>Fiscal 2020</b> |
|------------------------------------------------|--------------------|
| Short Term Provisions                          | 23.68              |
| <b>Total Current Liabilities (B)</b>           | <b>70.65</b>       |
| <b>Total Working Capital Requirement (A-B)</b> | <b>236.00</b>      |
| <b>Funding Pattern</b>                         |                    |
| Internal Accruals                              | 236.00             |

On the basis of existing and estimated working capital requirement of our Company and assumptions for such working capital requirements, our Board pursuant to its resolution dated November 10, 2020 has approved the projected working capital requirements for Fiscals 2021, 2022 and 2023 and the proposed funding of such working capital requirements as set forth below:

(In ₹ million)

| <b>Particulars</b>                             | <b>Fiscal</b>   |                 |                 |
|------------------------------------------------|-----------------|-----------------|-----------------|
|                                                | <b>2021</b>     | <b>2022</b>     | <b>2023</b>     |
| <b>Current Assets</b>                          |                 |                 |                 |
| Inventories                                    | 246.06          | 415.02          | 605.87          |
| Trade Receivables                              | 275.51          | 471.51          | 691.16          |
| Cash and Cash Equivalents                      | 510.58          | 251.23          | 30.39           |
| Short Term Loans and Advances                  | 273.36          | 443.68          | 635.96          |
| <b>Total Current Assets (A)</b>                | <b>1,305.51</b> | <b>1,581.44</b> | <b>1,963.38</b> |
| <b>Current Liabilities</b>                     |                 |                 |                 |
| Trade Payables                                 | 35.15           | 59.29           | 86.55           |
| Other Current Liabilities                      | 18.32           | 19.23           | 20.19           |
| Short Term Provisions                          | 24.87           | 26.11           | 27.42           |
| <b>Total Current Liabilities (B)</b>           | <b>78.34</b>    | <b>104.63</b>   | <b>134.16</b>   |
| <b>Total Working Capital Requirement (A-B)</b> | <b>1,227.16</b> | <b>1,476.81</b> | <b>1,829.22</b> |
| <b>Funding Pattern</b>                         |                 |                 |                 |
| IPO                                            | 100.00          | 500.00          | 150.00          |
| Internal Accruals                              | 1,127.16        | 976.81          | 1,679.22        |

₹750 million from the IPO proceeds will be utilised for incremental working capital over Fiscal 2021 to Fiscal 2023.

#### **Assumptions for working capital requirement.**

##### ***Holding levels***

Provided below are details of the holding levels (days) considered based on the Audited Standalone Financial Information:

| <b>Particulars</b>                | <b>Number of days for the Fiscal ended</b> |                                       |                                       |                                       |
|-----------------------------------|--------------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
|                                   | <b>March 31, 2020<br/>(Actual)</b>         | <b>March 31, 2021<br/>(Estimated)</b> | <b>March 31, 2022<br/>(Estimated)</b> | <b>March 31, 2023<br/>(Estimated)</b> |
| Inventory Days                    | 79                                         | 70                                    | 70                                    | 70                                    |
| Trade Receivable Days             | 46                                         | 50                                    | 50                                    | 50                                    |
| Trade Payable Days                | 21                                         | 10                                    | 10                                    | 10                                    |
| Short Term Loans and Advance Days | 18                                         | 70                                    | 70                                    | 70                                    |

*Key justification for holding levels*

| Particulars                   | Details                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Inventory                     | Our company's inventories primarily consists of home healthcare products. Our company has assumed the holding level for inventories as 70 days of cost of goods sold for each of the Fiscal, 2021, 2022 and 2023. Inventory levels have been estimated in line with projected financials for the Fiscals 2021, 2022 and 2023, respectively.  |
| Trade receivables             | Our company has assumed the holding levels for trade receivables as 50 days of revenue during operations for each of the Fiscal, 2021, 2022 and 2023.                                                                                                                                                                                        |
| Trade Payables                | Our trade payables have a direct correlation to our business growth. Holding level for trade payables as 10 days from operations for each of the Fiscal 2021, 2022 and 2023. Trade payables levels have been estimated in line with projected operations for the Fiscals 2021, 2022 and 2023.                                                |
| Short term loans and Advances | Given the nature of the business, we provide advances to our manufacturers and vendors while placing the orders to ensure timely delivery and availability of products. The holding level assumed as 70 days for each of the Fiscal 2021, 2022 and 2023 has been estimated in line with projected sales for the Fiscals 2021, 2022 and 2023. |

M/s Krishan K Mittal & Co., Chartered Accountants have by a certificate dated November 10, 2020, certified the working capital requirements of our Company.

Our Company proposes to utilize ₹750.00 million of the Net Proceeds in Fiscal 2021, Fiscal 2022 and Fiscal 2023 towards our incremental working capital requirements. The balance portion of our long term working capital requirement will be arranged from existing equity and internal accruals.

## 2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating ₹ [●] million towards general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds of the Issue, in compliance with Regulation 7 (2) of the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include but not restricted to expenses towards strategic initiatives, funding growth opportunities, strengthening of our marketing capabilities, investment in subsidiaries, meeting expenses incurred in the ordinary course of business, meeting exigencies which our Company may face in the ordinary course of business, or any other purposes as may be approved by the Board of Directors or a duly appointed committee from time to time, subject to compliance with necessary provisions of the Companies Act. Our Company's management, in accordance with the policies of the Board of Directors and subject to applicable laws, will have flexibility in utilising surplus amounts, if any.

### Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] million. The expenses of this Issue include, among others, listing fees, underwriting fees, selling commission, fees payable to the Book Running Lead Manager, fees payable to legal counsel, fees payable to the Registrar to the Issue, Escrow Collection Bank to the Issue and Sponsor Bank, including processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to Registered Brokers, collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The break up for the estimated Issue expenses is as follows:

| Activity                                                                                        | Estimated expenses <sup>(1)</sup> (in ₹ million)^ | As a % of the total estimated expenses <sup>(1)</sup> | As a % of the total Issue | As a % of the total Issue Size <sup>(1)</sup> |
|-------------------------------------------------------------------------------------------------|---------------------------------------------------|-------------------------------------------------------|---------------------------|-----------------------------------------------|
| BRLM fees and commissions (including underwriting commission, brokerage and selling commission) | [●]                                               | [●]                                                   | [●]                       | [●]                                           |

| Activity                                                                                                                                               | Estimated expenses <sup>(1)</sup> (in ₹ million)^ | As a % of the total estimated expenses <sup>(1)</sup> | As a % of the total Issue | As a % of the total Issue Size <sup>(1)</sup> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-------------------------------------------------------|---------------------------|-----------------------------------------------|
| Commission/processing fee for SCSBs and Bankers to the Issue and fee payable to the Sponsor Bank for Bids made by RIBs using UPI <sup>(2)</sup>        | [●]                                               |                                                       | [●]                       | [●]                                           |
| Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs <sup>(3)</sup> and <sup>(4)</sup> | [●]                                               |                                                       | [●]                       | [●]                                           |
| Fees payable to the Registrar to the Issue                                                                                                             | [●]                                               |                                                       | [●]                       | [●]                                           |
| Fees payable to Frost & Sullivan                                                                                                                       | [●]                                               |                                                       | [●]                       | [●]                                           |
| Fees payable to the other advisors to the Issue                                                                                                        | [●]                                               |                                                       | [●]                       | [●]                                           |
| <b>Others</b>                                                                                                                                          |                                                   |                                                       |                           |                                               |
| Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses                    | [●]                                               |                                                       | [●]                       | [●]                                           |
| Printing and stationery                                                                                                                                | [●]                                               |                                                       | [●]                       | [●]                                           |
| Advertising and marketing expenses                                                                                                                     | [●]                                               |                                                       | [●]                       | [●]                                           |
| Fee payable to legal counsel                                                                                                                           | [●]                                               |                                                       | [●]                       | [●]                                           |
| Miscellaneous                                                                                                                                          | [●]                                               |                                                       | [●]                       | [●]                                           |
| <b>Total estimated Issue expenses</b>                                                                                                                  | [●]                                               |                                                       |                           | [●]                                           |

^ Exclusive applicable taxes

- 1) Amounts will be finalised on determination of Issue Price
- 2) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, Non-Institutional Bidders and Eligible Employees which are directly procured by the SCSBs, would be as follows:

|                                         |                                                      |
|-----------------------------------------|------------------------------------------------------|
| Portion for Retail Individual Bidders * | 0.35% of the Amount Allotted (plus applicable taxes) |
| Portion for Non-Institutional Bidders * | 0.20% of the Amount Allotted (plus applicable taxes) |
| Portion for Eligible Employees *        | 0.25% of the Amount Allotted (plus applicable taxes) |

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

- 3) No processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them
- 4) Processing fees payable to the SCSBs on the portion for Retail Individual Bidders, Non-Institutional Bidders and Eligible Employees which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/CDPs and submitted to SCSB for blocking, would be as follows:

|                                         |                                                   |
|-----------------------------------------|---------------------------------------------------|
| Portion for Retail Individual Bidders * | ₹10 per valid application (plus applicable taxes) |
| Portion for Non-Institutional Bidders * | ₹10 per valid application (plus applicable taxes) |
| Portion of Eligible Employees *         | ₹10 per valid application (plus applicable taxes) |

\*Based on valid applications

- 5) The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-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. 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 BSE or NSE.
- 6) Selling commission on the portion for Retail Individual Bidders, Non-Institutional Bidders and Eligible Employees which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs would be as follows:

|                                                |                                                             |
|------------------------------------------------|-------------------------------------------------------------|
| <i>Portion for Retail Individual Bidders *</i> | <i>0.35% of the Amount Allotted (plus applicable taxes)</i> |
| <i>Portion for Non-Institutional Bidders *</i> | <i>0.20% of the Amount Allotted (plus applicable taxes)</i> |
| <i>Portion for Eligible Employees *</i>        | <i>0.25% of the Amount Allotted (plus applicable taxes)</i> |

*\*Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price including commission payable to sponsor bank*

Selling commission/ uploading charges payable to the Registered Brokers on the portion for Retail Individual Bidders procured through UPI Mechanism and Non Institutional Bidders and Eligible Employees which are directly procured by the Registered Brokers and submitted to SCSB for processing:

|                                                |                                                          |
|------------------------------------------------|----------------------------------------------------------|
| <i>Portion for Retail Individual Bidders *</i> | <i>₹10 per valid application (plus applicable taxes)</i> |
| <i>Portion for Non-Institutional Bidders*</i>  | <i>₹10 per valid application (plus applicable taxes)</i> |
| <i>Portion for Eligible Employees *</i>        | <i>₹10 per valid application (plus applicable taxes)</i> |

Uploading charges/ processing fees for applications made by for Retail Individual Bidders and Employee Reservation Portion using the UPI Mechanism would be as under:

|                     |                                                                                                                                                                                                                                                                                                                                              |
|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Sponsor Bank</i> | <i>₹8 per valid application * (plus applicable taxes)</i><br><br><i>The Sponsor Bank 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</i> |
|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

*\*For each valid application*

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 Bank Agreement

### **Appraisal and Bridge Loans**

The above fund requirements have not been appraised by any bank or financial institution. Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

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

Pending utilization for the purposes described above, we intend to deposit the Net Proceeds only in scheduled commercial banks as may be approved by our Board.

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 shares of any other listed company or for any investment in the equity markets.

### **Appraising Entity**

None of the Objects for which the Net Proceeds will be utilised have been appraised by any agency, including any bank or finance institutions.

### **Monitoring Agency**

There is no requirement for appointment of a monitoring agency for the purpose of the Issue, in terms of Regulation 41 of the SEBI ICDR Regulations, as the size of the Issue does not exceeds ₹1,000.00 million. Our Audit Committee shall monitor the utilisation of the proceeds of the Issue. We will disclose the utilisation of the Net Proceeds, including

interim use, under a separate head specifying the purpose for which such proceeds have been utilised along with details, if any in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such utilised proceeds of the Issue in our balance sheet for the relevant financial years subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to Regulation 32(5) of the SEBI Listing Regulations, our Company shall disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified in accordance with Regulations 32(5) of the SEBI Listing Regulations. Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including deviations, if any, in the utilisation of the Net Proceeds of the Issue from the objects of the Issue as stated above and details of category wise variation in the actual utilisation of the Net Proceeds of the Issue from the objects of the Issue as stated above. The information will also be published in newspapers simultaneously with the submission of such information to the Stock Exchanges, after placing the same before the Audit Committee. We will disclose the utilisation of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilised clearly specifying the purpose for which such Net Proceeds have been utilised.

### **Variation in Objects**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without being authorised to do so by our Shareholders by way of a special resolution through a postal ballot or at a general meeting by a company which is required to provide the facility to members to vote by electronic means under section 108 of the Companies Act, 2013. In addition, the notice issued to our Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the vernacular language of the jurisdiction where our Registered Office is located. Our Promoter or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, at such price, and in such manner, as prescribed in Regulation 59 and Schedule XX of the SEBI ICDR Regulations.

### **Other Confirmations**

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, our Directors, our Key Managerial Personnel or our Group Companies. Our Company has not entered into and is not planning to enter into any arrangement/agreements with our Promoter, members of our Promoter Group, Group Companies, Directors and Key Managerial Personnel in relation to the utilization of the Net Proceeds. Further, except in the ordinary course of business, there is not existing or anticipated interest of such individuals and entities in the objects of the Issue as set out above.

## BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. 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 the face value at the higher end of the Price Band. Investors should also refer to “Our Business”, “Risk Factors”, “Financial Statements” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 103, 25, 155 and 210, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

We believe the following are our strengths which form the basis for the Issue Price:

- diversified product portfolio addressing the needs of varied customers across home healthcare industry;
- well-recognized brand with a targeted marketing strategy;
- wide sales and distribution network;
- experienced Promoters with strong management team having domain knowledge; and
- Proven track record of robust financial performance

For further details, see “Risk Factors” and “Our Business – Our Competitive Strengths” on pages 25 and 103, respectively.

### Quantitative Factors

The information presented below relating to our Company is based on the Restated Consolidated Financial Information. For details, see “Financial Statements” on page 155.

Notes: The accounting ratio shown below are after taking into account the impact of the following corporate action completed post March 31, 2020

- i. *The Shareholders of our Company vide a resolution dated August 31, 2020 accorded their consent to bonus issue in the proportion of six Equity Shares of ₹10 each for every one existing Equity Share (6:1) held by Shareholders. Consequently, 6,000,000 Equity Shares were allotted to 7 allottees and the cumulative number of equity shares has increased to 7,000,000 Equity Shares.*

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

#### 1. Basic and Diluted Earnings/Loss per Share (“EPS”)

As per our Restated Consolidated Financial Information prepared in accordance with Ind-AS:

| Year/Period ended                                      | Basic EPS (in ₹) | Diluted EPS (in ₹) | Weight |
|--------------------------------------------------------|------------------|--------------------|--------|
| March 31, 2020                                         | 9.14             | 9.14               | 3      |
| March 31, 2019                                         | 8.89             | 8.89               | 2      |
| March 31, 2018                                         | 4.45             | 4.45               | 1      |
| <b>Weighted Average</b>                                | <b>8.28</b>      | <b>8.28</b>        |        |
| <b>Six months period ended<br/>September 30, 2020*</b> | <b>51.69</b>     | <b>51.69</b>       |        |

\* Not annualised

#### Notes:

- i. *As adjusted for changes in capital after March 31, 2020*
- ii. *Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. {(EPS x Weight) for each year} / {Total of weights}*

- iii. The face value of each Equity Share is ₹ 10.
- iv. Basic Earnings per share = Net profit after tax as restated, attributable to equity holders / Weighted average number of equity shares.
- v. Diluted Earnings per share = Net profit after tax as restated, attributable to equity holders / Weighted average number of diluted equity shares.
- vi. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year. This has been adjusted for all periods presented by giving effect to allotment of shares subsequent to the balance sheet date.

**2. Price Earning Ratio (P/E) in relation to the Issue Price of ₹ [●] per Equity Share of the face value of ₹ 10 each.**

| Particulars                                                                         | P/E Ratio |
|-------------------------------------------------------------------------------------|-----------|
| Based on Basic EPS for the financial year ended March 31, 2020 at the Floor Price   | [●]       |
| Based on Diluted EPS for the financial year ended March 31, 2020 at the Floor Price | [●]       |
| Based on Basic EPS for the financial year ended March 31, 2020 at the Cap Price     | [●]       |
| Based on Diluted EPS for the financial year ended March 31, 2020 at the Cap Price   | [●]       |

**Industry P/E ratio**

There are no listed entities in India that are engaged in similar line of business or whose business is comparable with that of our business.

**Return on Net worth (“RoNW”)**

**3. RoNW as per Restated Consolidated Financial Information of our Company:**

As per our Restated Consolidated Financial Information prepared in accordance with Ind-AS:

| Year/Period ended                                                  | RoNW (%) | Weight |
|--------------------------------------------------------------------|----------|--------|
| March 31, 2020                                                     | 42.82    | 3      |
| March 31, 2019                                                     | 78.36    | 2      |
| March 31, 2018                                                     | 180.93   | 1      |
| <b>Weighted Average</b>                                            | 77.69    |        |
| <b>Six months period ended September 30, 2020 (Not Annualised)</b> | 70.06    |        |

| Particulars              | For the period April 1, 2020 to September 30, 2020 (in ₹ million) | Fiscal 2020 (in ₹ million) | Fiscal 2019 (in ₹ million) | Fiscal 2018 (in ₹ million) |
|--------------------------|-------------------------------------------------------------------|----------------------------|----------------------------|----------------------------|
| Profit after tax (A)     | 361.80                                                            | 63.95                      | 62.26                      | 31.12                      |
| Equity Share capital (B) | 70.00                                                             | 0.10                       | 0.10                       | 0.10                       |
| Other Equity (C)         | 446.45                                                            | 149.24                     | 79.35                      | 17.10                      |
| Net worth (D=B+C)        | 516.45                                                            | 149.34                     | 79.45                      | 17.20                      |
| RoNW (in %) (E=A/D)      | 70.06%                                                            | 42.82%                     | 78.36%                     | 180.93%                    |

**Notes:**



- i.  $RoNW (\%) = \text{Net profit after tax} / \text{Net worth at the end of the year}.$
- ii.  $\text{Net worth} = \text{Equity share capital} + \text{Other Equity (including Securities Premium and Surplus/ (Deficit))}.$
- iii.  $\text{Weighted Average} = \text{Aggregate of year wise weighted RoNW divided by the aggregate of weights i.e. } \{(\text{RoNW} \times \text{Weight}) \text{ for each year} \} / \{ \text{Total of weights} \}$

#### 4. Net Asset Value (NAV) per Equity Share on a consolidated basis

| NAV                      | Consolidated (₹) |
|--------------------------|------------------|
| As on March 31, 2020     | 14,934.00*       |
| As on September 30, 2020 | 73.78            |
| After the Issue          |                  |
| - At the Floor Price     | [●]              |
| - At the Cap Price       | [●]              |
| - Issue Price            | [●]              |

\* 1,000,000 equity shares of ₹10 each pending for issue and allotment pursuant to the scheme of de-merger to the shareholder of our Company with the appointed date of April 1, 2019. These shares were subsequently allotted on June 10, 2020.

Notes:

1. Issue Price per Equity Share will be determined on conclusion of the Book Building Process.
2. Net asset value per share = Net worth as restated / Number of equity shares as at period/year end

#### 5. The average cost of acquisition per share by our Promoter, calculated by taking the average of the amounts paid by our Promoter to acquire Equity Shares, is as given below.

| Name of Promoter | Average cost of acquisition per Equity Share* (₹) |
|------------------|---------------------------------------------------|
| Saurabh Goyal    | Nil                                               |

\* As certified by M/s Krishan K Mittal & Co., Chartered Accountants, pursuant to certificate dated November 10, 2020.

#### 6. Comparison with Listed Industry Peers

There are no listed entities in India that are engaged in similar line of business and whose business is comparable with that of our business.

Notes:

The Issue Price of ₹ [●] has been determined by our Company in consultation with the BRLM on the basis of assessment of demand from investors for the Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Bidders should read the above mentioned information along with “Risk Factors”, “Our Business” “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 25, 103, 155 and 210 respectively, to have a more informed view.

## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
The Board of Directors  
**Nureca Limited (“Company”)**  
128 Gala Number Udyog Bhavan,  
1st Floor Sonawala Lane, Goregaon E,  
Mumbai – 400 063

Date: January 29, 2021

Dear Sirs,

**Subject: Statement of possible special tax benefits (“the Statement”) available to Nureca Limited (“the Company”), and its Shareholders in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“the ICDR Regulations”)**

This report is issued in accordance with the Engagement Letter dated January 28, 2021.

We hereby report that the enclosed Annexure II prepared by the Company, initialed by us for identification purpose, states the possible special tax benefits available to the Company and to its Shareholders under direct and indirect taxes (together “the Tax Laws”), presently in force in India as on the signing date, which are defined in Annexure I. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company. Further, the preparation of the enclosed Annexure II 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 equity shares by the Company (the “Proposed Offer”) 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 possible special tax benefits, which an investor can avail. 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)” (“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:

- i) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or
- ii) the conditions prescribed for availing the possible 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 and its shareholders, 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 law 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 give consent to include this Statement in the Red Herring Prospectus, the Prospectus and in any other material used in connection with the Proposed Offer, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For B S R & Co. LLP  
Chartered Accountants  
ICAI firm registration number: 101248W /W-100022

Gaurav Mahajan  
Partner  
Membership No.: 507857  
ICAI UDIN: 21507857AAAAH5154

Place: Chandigarh  
Date: January 29, 2021

## ANNEXURE I

### LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

| Sr. No. | Details of tax laws                                                  |
|---------|----------------------------------------------------------------------|
| 1.      | Income-tax Act, 1961 and Income-tax Rules, 1962                      |
| 2.      | Central Goods and Services Tax Act, 2017                             |
| 3.      | Integrated Goods and Services Tax Act, 2017                          |
| 4.      | Goods and Services Tax legislations as promulgated by various states |
| 5.      | Customs Act, 1962                                                    |
| 6.      | Customs Tariff Act, 1975                                             |

## ANNEXURE II

### ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS") IN INDIA

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Tax Laws in force in India (i.e. applicable for the Financial Year 2020-21 relevant to the Assessment Year 2021-22). These possible special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company or its shareholders to derive the possible special tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill

#### UNDER THE TAX LAWS

**A. *Special tax benefits available to the Company***

There are no special tax benefits available to the Company under the Tax Laws.

**B. *Special tax benefits available to Shareholders***

The shareholders of the Company are not eligible to any special tax benefits under the Tax Laws identified supra.

#### NOTES:

1. The above is as per the current Tax Laws as amended by the Finance Act, 2020.
2. This Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company
3. This Statement does not discuss any tax consequences in any country outside India of an investment in the shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

For **Nureca Limited**

Authorized Signatory

Place: Chandigarh

Date: January 29, 2021

## SECTION IV – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section is derived from the report entitled “Home Health Market in India and Neighbouring Countries”, dated October 31, 2020, (the “F&S Report”) prepared by Frost & Sullivan (India) Private Limited (“F&S”), except for other publicly available information as cited in this section. We commissioned the F&S Report for the purposes of confirming our understanding of the global and Indian e healthcare industry in connection with the Issue. Neither we nor any other person connected with the Issue has verified the information in the F&S Report or other publicly available information cited in this section. Further, the F&S Report was prepared on the basis of information as of specific dates which may no longer be current or reflect current trends. Opinions in the F&S Report may be based on estimates, projections, forecasts and assumptions that may prove to be incorrect. Prospective investors are advised not to unduly rely on the F&S Report.*

*Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.*

*This independent market research study on the “Home Health Market in India and Neighbouring Countries” dated 31st October 2020 has been prepared for Nureca Limited in relation to its proposed initial public offering in connection with its listing on the stock exchange(s). This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Frost & Sullivan's estimates and assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain. Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged. Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. The report has been prepared for the Company's internal use, submission, and sharing with the relevant partners as well as for inclusion in the draft red herring prospectus, red herring prospectus, prospectus or any other document in relation to the offer, in full or in parts as may be decided by the Company.*

### Gross Domestic Product (GDP) Growth and Outlook

India has emerged as among the fastest growing economies in the world, and is anticipated to be one of the top three economic powers in the world over the next decade, backed by decisive government initiatives, very high human capital, industrial growth and strategic partnerships (both regional and global).

The market-friendly policies that safeguarded the country from the subdued global economy have improved macroeconomic fundamentals. Robust capital inflow strengthened the economic growth from 5.5% in 2012 to 8.2% in 2016. However, in 2017 the GDP declined to 7.2% from 8.2% in 2016 due to the external vulnerabilities such as global slowdown, impact of demonetization and the transitory effect of goods and services tax (GST) implementation. Further, the economic growth continued to slip downwards in 2018 to 6.8%, as a result of the lingering effect of

demonetization and liquidity crunch due to NBFC crisis.

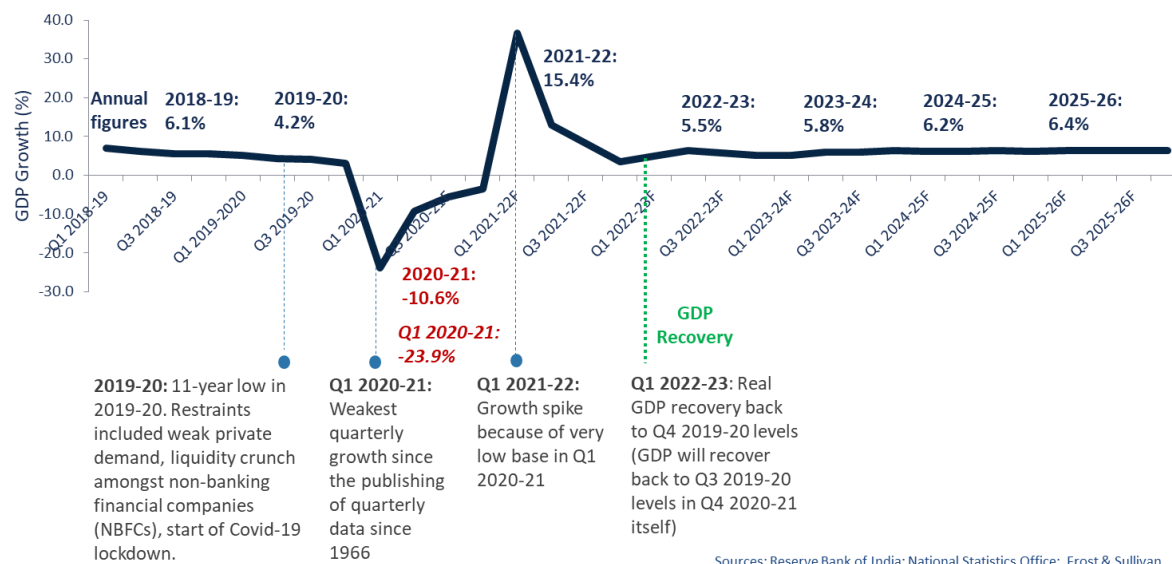
The GDP in India was \$2875.14 Billion in 2019, after showing a growth of 4.2% in 2019-20. The medium term growth outlook was expected to improve on account of strong macroeconomic fundamentals – moderate inflation, implementation of key structural reforms and improved fiscal and monetary policies, but then, the COVID-19 pandemic struck the economic activity severely.

Compared with India, the neighbouring countries are significantly smaller economies, with the nearest one, Bangladesh, having approximately 10% of India in terms of GDP in 2019. Maldives is one of the smallest neighbours of India, and it has quickly become a middle-income country, driven by the rapid growth of its tourism and fisheries sectors. Bhutan's small economy is based largely on hydropower, agriculture, and forestry, which provide the main livelihood for more than half the population. The economy is closely aligned with India's through strong trade and monetary links and is dependent on India for financial assistance and migrant labourers for development projects, especially for road construction.

### Impact of COVID-19 Pandemic

The currently raging COVID-19 pandemic has had a significant impact on the economies of all countries, though it varies by its impact on their respective industry drivers and their innate growth environment. Many industries, like Hospitality, Travel & tourism, Finance, Entertainment, Retail, and Healthcare, faced as much as 80-90% decline in their businesses. Lock-downs and travel restrictions were implemented, which further impacted the unorganized, informal sectors, putting further pressures on the economy. India, being a large country with a large and diversified economy, was severely impacted, with the Q1 2020-2021 contracting by an unprecedented 23.9%. However, it is expected that it will be followed by growth, bring the aggregated decline of 10.6% for fiscal year 2020-21.

A spike in growth is expected in 2021-2022, but that can be attributed to the decreased base from the previous year. Subsequently, the market is expected to stabilize and grow back to a healthy growth rate of over 5.5% from 2022-2023.



The economies of Maldives and Sri Lanka dependent heavily on tourism and will be among the hardest hit. Maldives is expected to have the highest decline in their GDP by 20.5% in 2020 due to the COVID-19 pandemic. Tourism industry accounts for over 25% of its economy saw a major decline due to border closures and travel restrictions worldwide. Further, 81% of their exports is fisheries, which, again, was deeply impacted. Bangladesh, Bhutan and Nepal are expected to show growth, though much lower than their previous forecasts. Bangladesh, the world's second-largest apparel exporter, is anticipated to show GDP growth of 5.2% in 2020-2021, much lower than its previous projection of 8.2%. However, there are increasing risks for Bangladesh, since its apparel

export orders from US and EU are getting cancelled.

The COVID-19 pandemic remains a major threat to the economies, due to uncertainties in its propagation, expanding infection waves, and the effectiveness of steps taken by the governments to control the pandemic.

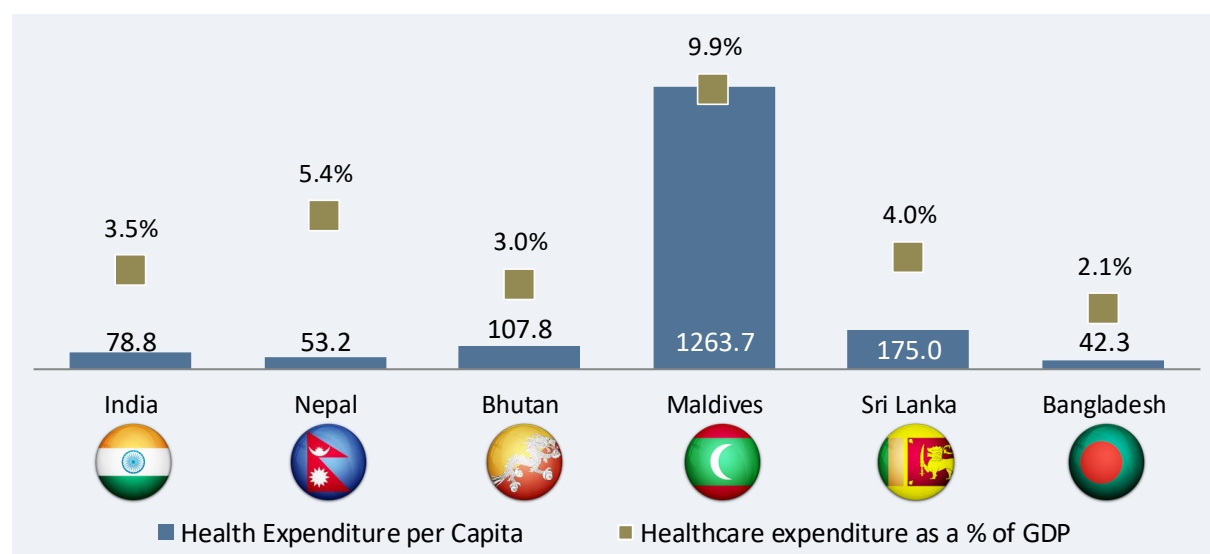
## GDP per Capita

The GDP per Capita in India was at \$2,104 in 2019, which is only 18% of the world's average of \$11,429. It has started increasing between 2012 and 2016, but it slumped between 2017-2019 due to impact of demonetization causing cash shortage and implementation of GST. It was expected that, with the economy getting back on track due to improving business sentiments, the GDP and GDP per Capita would increase once again, but the COVID-19 pandemic hit the economy in early 2020. Among the neighbouring countries, GDP per capita for the Maldives in 2019 was highest, with value of \$10,790 and Nepal was lowest with \$1,071, making Nepal the poorest.

## Healthcare Expenditure

Healthcare expenditure per Capita in India was USD 78.8 in 2019, which places total health expenditure at 3.5% of GDP, much lower than the global average of 11%. Conventionally the healthcare expenditure in the country has been very poor owing to the fact that public expenditure contribute to the total expenditure has been very low in comparison to the other countries.

The central government contribution to the total public expenditure accounts only for 25%, thus making health care a state responsibility. In the last 5 years, we had witnessed the total share of public expenditure increase at a CAGR of 15%. But most of this increase has been attribute to wages hike in the health system. In 2018, International Monetary fund had identified poor state of public health as the 12th most important hurdle for ease of doing business, ahead of tax, crime, regulations and policy instability in the country.



In terms of Health expenditure as a percentage of GDP, Maldives comes on top at ~10%, while Bangladesh ranks lowest at only 2.1%. It is estimated the around 67% of the healthcare expenditure is spent through out-of-pocket expenditure in countries like Bangladesh. This has had high constraint on developed of healthcare infrastructure and also on state of health of the population. This trend of higher reliance on private contribution in the countries in the region has impacted opportunity potential for transformation of healthcare in south Asian region.

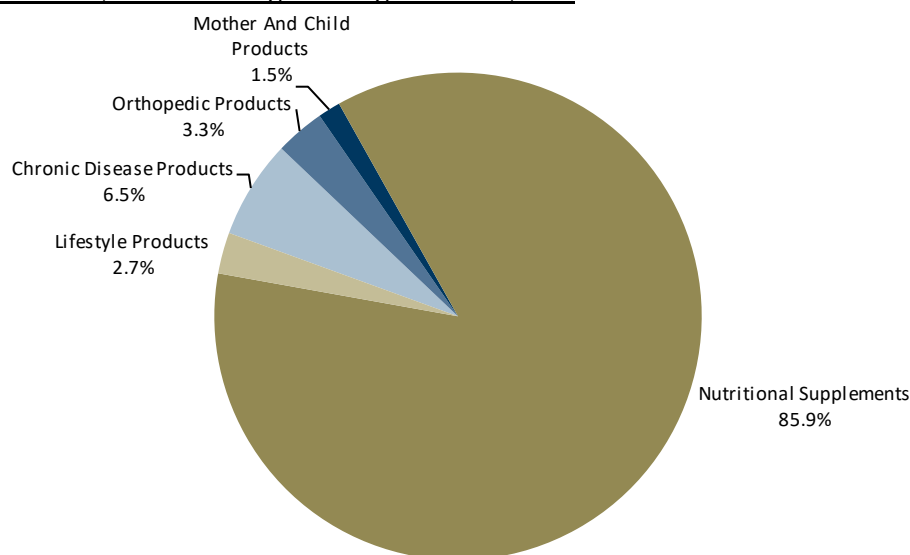
## Home Health Products Analysis

The Home Health Market in India and neighbouring countries is estimated at ₹ 20,757.0 Cr in 2019 and is expected to grow to ₹ 38,920.7 Cr by 2025 at a CAGR 11.0%. Nutritional Supplements Segment forms ~86% of the total Home



Health Market, followed by Chronic Disease Products segment at 6.5%. Highest growth is expected in Lifestyle products, especially Fitness trackers, at CAGR 14.5%, but the other product segments are also growing at robust, similar growth rates between 2019 and 2025.

### **Home Health Market, India and Neighbouring Countries, 2019**



### **Growth Drivers for Home Healthcare Market and Product Adoption**

#### **Increase in geriatric population and chronic diseases and Rising healthcare costs for the patients:**

Geriatric population is on the rise and is expected to reach 12.5% of the total population by 2026. This age group has a higher prevalence of chronic diseases such as cancer, coronary ailments, respiratory illnesses, and requires regular healthcare monitoring. The growth in NCDs has led to a “dual burden of disease” for India: having to transform health systems built to fight infectious diseases and provide acute care to manage the silent epidemic of chronic diseases like diabetes, heart diseases, respiratory illnesses and cancers. In India, the number of deaths caused by lifestyle or non-communicable diseases (NCDs) increased from 37.9% in 1990 to ~61.8% in 2016. India is on track to become the global epicentre for non-communicable diseases like diabetes and hypertension. Additionally, ~62% of health expenses are financed out-of-pocket, leading to significant burden on patients. It is unfortunate that the undiagnosed proportion of chronic disease population is still much higher than the established countries ratios. This has led to increase in late stage diagnosis and the burden of increased expenditure due to associated complexities.

The Indian government intervention to manage non-communicable diseases better, has led to the development of standalone - NCD clinics across countries in non-urban areas to improve access to quality primary care across the country. Until March, 2020, there were 665 district NCD Cells, 637 District NCD Clinics, 4472 CHC NCD Clinics, 181 Cardiac Care Units and 218 Day Care Units functional in the country, making the public infrastructure much stronger than a decade ago. There were around 6.61 Crore people who visited the NCD clinics in 2019-2020 and were screened for Diabetes, Hypertension, CVDs and common Cancers. Thus these initiative and outreach program by both public and private sector has increased the awareness of chronic diseases and the need for better management amongst the patient and high-risk population. It is important to note that precursors to chronic diseases are a bigger burden in India. In a survey conducted by JS Thakur et. al. on “Non-communicable diseases risk factors and their determinants: A cross-sectional state-wide STEPS survey, Haryana, North India, 91.3 % has higher intake of salt on a daily basis, increasing the risk of high blood pressure and hypertension. At least 35 % of the population were overweight or obese and were mostly aged above 45 years, thus increasing the risk of more than one chronic condition burden for the patient.

There has been an increase in awareness amongst this high risk population, thereby supporting the adoption of preventative care and home health products. This increase in chronic diseases along with disease burden of

communicable diseases has led to an increase in demand for home health devices providing a viable alternative for this monitoring while saving on the expenditure for availing services at a healthcare centre.

#### **Rising awareness and healthcare consumerism:**

Private healthcare companies carry out various health awareness programs as part of their marketing activities, which have led to increase in health awareness levels with people focusing more on their fitness, health and well-being. There is an increased focus on preventive care. Patients have become smart consumers who don't want to be constrained on time, place and commuting. This leads to increase in adoption of home health devices. Prior to COVID-19, the online usage for healthcare purchases was growing at a high single digit growth rate. But due to COVID-19, in 2020 at least 9 million household use some form of online healthcare usage (pharmacy included). This trend has been growing and is likely to continue even during post COVID-19 era.

#### **Increasing income levels have contributed to a middle class bulge:**

It is important trend to see the upper middle class population to increase from 61 million in 2015 to 168 million by 2030 (forecasted). It is also estimated that low-income group population would reduce from 127 million to 57 million by 2030 (forecasted). Affordability (Per capita income) of Indians is expected to multiply 1.4 times in next 5 years. This increase in affordability and disposable personal income has created a large middle class population and it will likely help sustain demand for health devices and services, translating into healthy growth in the Home Health Devices industry.

#### **The COVID-19 pandemic and focus of reducing hospital induced infections:**

Home healthcare helps reduce hospital visits, thereby reducing hospital induced infections. In a survey conducted, it was found at least 70% of the outpatient visits happening didn't require physical interaction and could be replaced with tele-consultations or remote monitoring. While the effort to reduce hospital acquired infections is a continual battle, the raging COVID-19 pandemic and fear of infection has pushed people towards virtual visits and home health products where hospitalization was not necessary e.g. digital blood pressure monitors, nebulizers, thermometers etc. In our research, statistics reveal that 60% of the virtual visits happening in India currently are driven by gynaecological and maternal health visits.

#### **Cost optimization pressures for healthcare providers:**

Healthcare providers aim to discharge patients early with the home health devices supporting monitoring. Sale of home health devices provides an additional revenue stream. The basic parameters including heart rate, oxygen saturation, respiratory rate, skin temperature, ECG readings, non-invasive blood pressure can be monitored using remote devices or mobile Health (mHealth) solutions. The hospitals and insurance companies benefit from remote monitoring and reduced adverse events.

#### **Advances in home health technology:**

Advancement in technology resulting in affordable monitoring solutions without compromising on quality and accuracy, has enhanced the home healthcare market and led to higher level of independence for patients. The most important feature driving home healthcare in India is affordability. The start-up ecosystem in India, domestic manufacturers has supported the adoption of new technology/ devices that are effective and affordable and customized for Indian population. This is not only makes adoption, but also adherence better.

#### **Restraints to Growth for Home Healthcare Market and Product Adoption**

**Fragmented and unorganized market:** The Home Healthcare Market in India is highly fragmented, with proliferation of local companies, constituting large unorganized sector. Lax regulations and poor compliance in the unorganized sector has led to flooding of poor quality of products in the market. Additionally, the high number of players leads to high competition and pricing pressures, which in turn, results in reduced margins and scalability issues.

**Uncertainty about accuracy of results:** Home health products, even from reputed companies, are considered consumer grade (not hospital grade), leading to concerns regarding accuracy measures with the product. This is a major concern for clinicians, and they are often deterred from participating/recommending home healthcare products. Their additional concerns with Home Health are risks of inappropriate dose delivery and of self-medication by patients.

**Lack of insurance coverage for home health:** In India and its neighbouring countries, insurance coverage is for 24 hours hospital stay and day-care procedures. Some of the new insurance offerings include OPD and diagnostics, but have high premiums. There is no policy which covers home healthcare products.

**Lack of education and digital awareness:** Rural regions have the lowest probability of adoption/adherence of home healthcare products. Lack of education of patients and family caregivers is a major barrier towards effective training required for home healthcare products. Poor access to care, prevents people from taking the clinician support to train with usage and hence both adoption and adherence is reducing and scalability is much slower.

**Patient preference:** Home healthcare products lack personal touch with doctor which is important for many patients. It's a constant reminder of illness, thus it's crucial to consider patient preference for such products.

### **Evolution of eCommerce and adoption for Home Health products for India**

eCommerce has evolved from simple search portals for buying products to digital marketplace that would provide personalized experience for informed purchase decision-making.

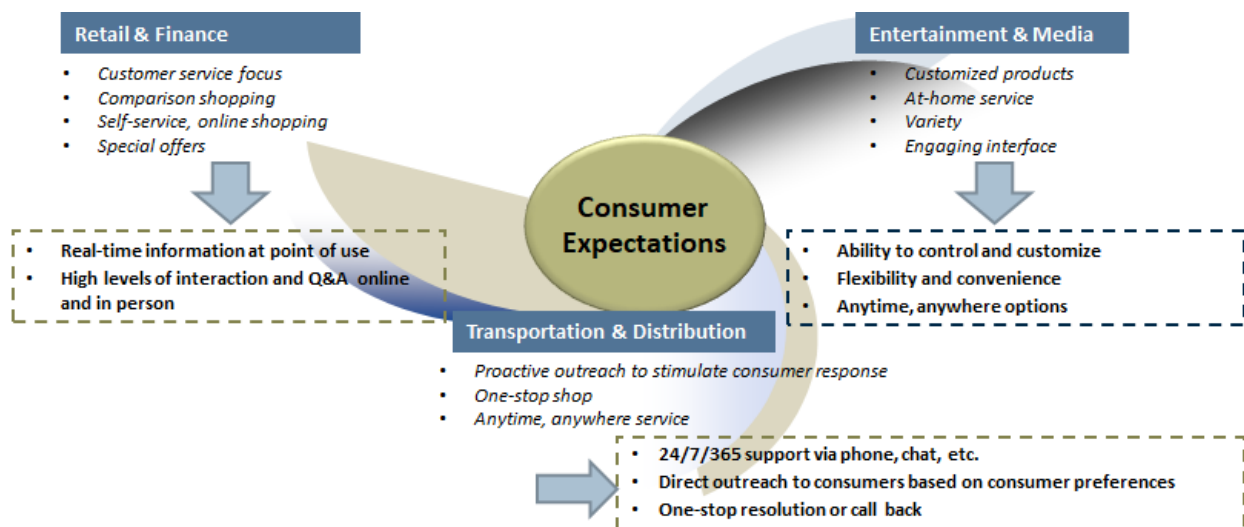
eCommerce was estimated to be a \$ 24 billion in 2017 and is estimated to be worth \$ 84 billion by 2021. According to a report from BCG on Consumer Sentiment Survey, 33% of the surveyed population was expected to buy household goods online in India, while only 19% in China, 4% in Brazil and 9% in Thailand believed so.

In the pre-eCommerce era, online catalogues and EDI were the norm, though adopted by few in the healthcare industry – The advent of payment-enabled eCommerce systems led to sale of simpler healthcare products, like consumables, disposable products, and consumer-oriented devices (like wearables), and now set to move towards supplying complex medical devices in a B2B environment.

In the current era of '*Healthcare Consumerization*', the role of patients is changing from a reactive recipient of care to playing more proactive role in managing their own health, being better informed about the choices available and demand more quality of service. Consequently, the industry is, now, working towards enabling a higher level of customer experience that people expect.

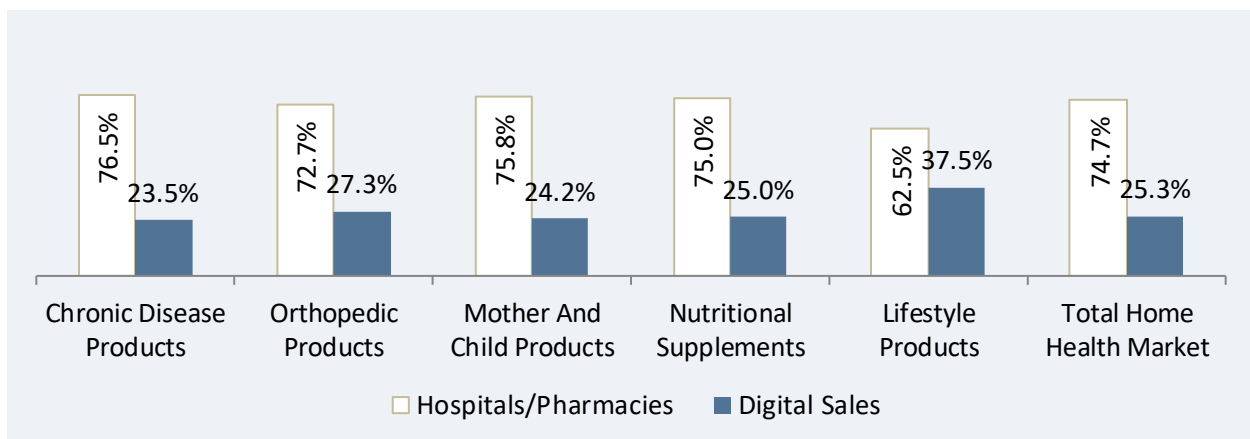
Consumer focused products, like glucose monitors (SMBG), nebulizers, blood pressure monitors and wearables, have brought further impetus and has facilitated quicker uptake in the eCommerce channel. Future business models may involve an integration of the product sale and service functions (maintenance, repairs, etc.) in the eCommerce channel.

### **Exhibit 11: Healthcare Consumerization**



Source: Frost & Sullivan

The eCommerce platform in India is comparatively nascent, but with the increasing consumerization, increasing technology awareness and the ease of purchase that the platform brings, the adoption is set to grow rapidly.



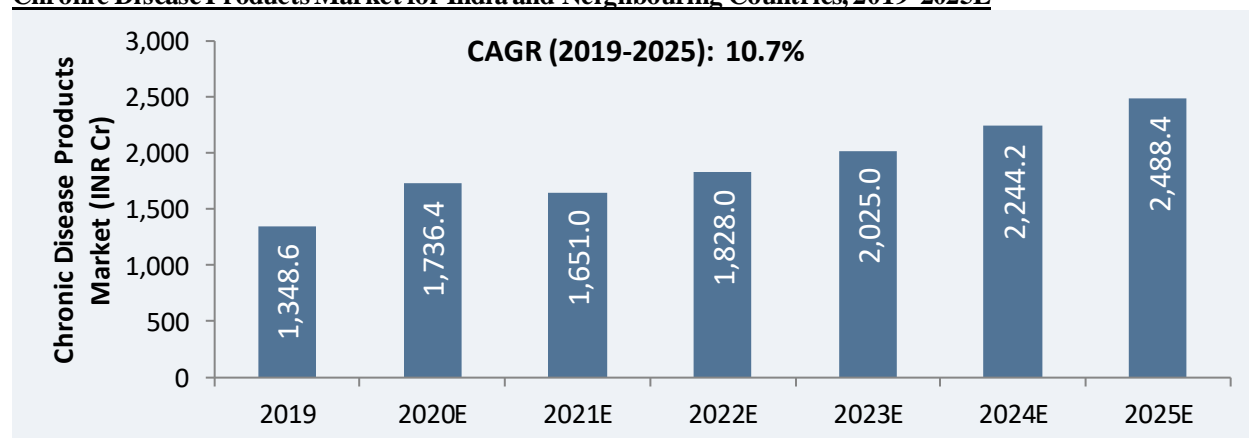
The overall eCommerce adoption in India Home Health market was 25.3% in 2019. While the overall adoption has been increasing over the years, the COVID 19 pandemic has “encouraged” the consumers towards online purchases and pushed growth in this channel during the lockdown restriction period, even up to twice as many online sales prior to this period, for many products, as seen with chronic disease products and nutritional supplements. Furthermore, it also broke through the many barriers and resistance among people to leverage the channel, and made them comfortable – This would provide a sustained momentum to the adoption of eCommerce in the Home Health Market and cross 50% by 2025.

### Chronic Disease Products

According to the World Health Organization (WHO), chronic diseases will account for almost three-quarters of all deaths worldwide by 2020 in which 71% of deaths will be due to ischaemic heart disease and 70% of deaths due to diabetes. The stress on the formal healthcare system is high in India and neighbouring countries, with low Healthcare expenditure on one hand, and increasing burden of chronic diseases on the other hand, has led healthcare professionals recommending a wide variety of technologies in non-institutional settings to monitor and manage patients. These technologies help monitor patients with acute and chronic medical conditions, but also help with disease prevention and lifestyle choices.

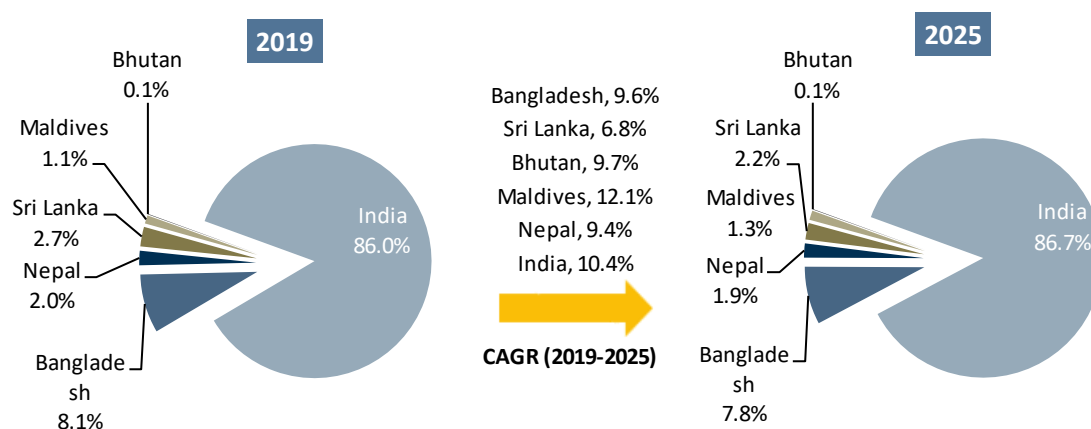
Self-monitoring of key parameters, like Blood pressure, oxygen saturation, blood glucose, temperature, helps patient management for chronic diseases such as heart disease, Hypertension, Diabetes and respiratory illnesses. Devices, like Oxygen concentrators, nebulizers, humidifiers and steamers, are important tools for treatment of patients in healthcare institutions as well as home. The Chronic Disease products market in India and neighbouring countries was an estimated ₹ 1,348.6 Cr in 2019 and anticipated to grow at CAGR 10.7%, to reach ₹ 2,488.4 Cr by 2025.

#### **Chronic Disease Products Market for India and Neighbouring Countries, 2019-2025E**



India forms about 87% of the market, growing at CAGR 10.4% between 2020 and 2025. Maldives is growing at a higher rate, since they have a comparatively, significantly higher health expenditure, but is a very small market within the Indian subcontinent.

#### **Chronic Disease Products Market by Country, 2019 and 2025E**



The COVID-19 pandemic has been a major driver for the Chronic Disease Market, with an estimated 28% growth in revenues in 2020. The WHO as well as ICMR (India) have recommended safety measures, but also guidelines for home quarantine, including regular monitoring of key body parameters. Devices, like oxygen concentrators, cylinders, humidifiers, steamers, nebulizers and others, have also shown increasing sales as these are direct interventions during the management of symptomatic COVID-19 patients.

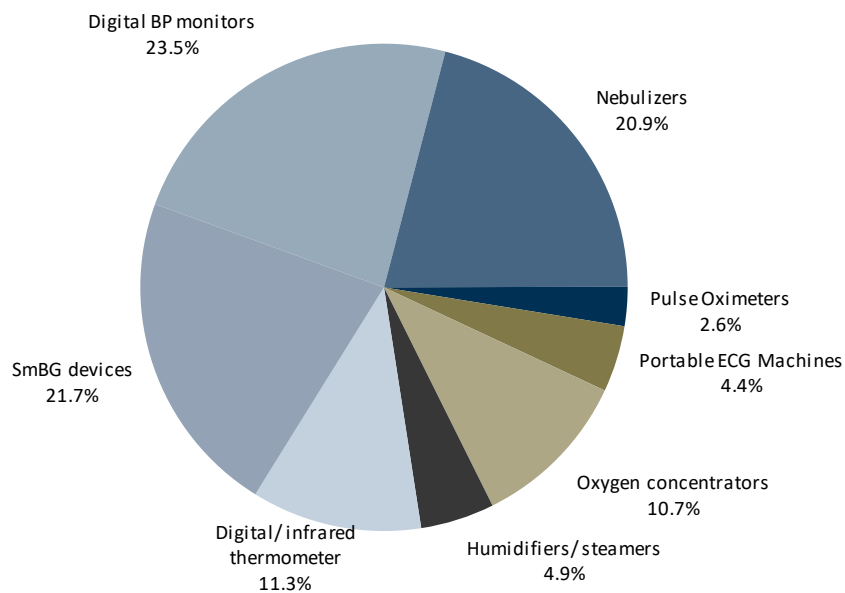
Revenues from Hospitals/Institutional end-users accounted for 80% of the market in 2019, of which 60.3% was attributed to private hospitals. Sales through retail outlets, was pegged at 20%. 76.5% sales were through Hospitals/Institutions, while Digital/eCommerce sales accounted for 23.5%, by revenue in 2019.

Chronic Disease products include the following product types –

- Digital Blood Pressure monitors

- Nebulizers
- Pulse Oximeters
- Portable ECG Machines
- Oxygen concentrators
- Humidifiers and steamers
- Digital and infrared thermometer
- Self-blood glucose monitoring devices (SmbG)

#### **Chronic Disease Products Market, by Revenue, by Product Type, 2019**



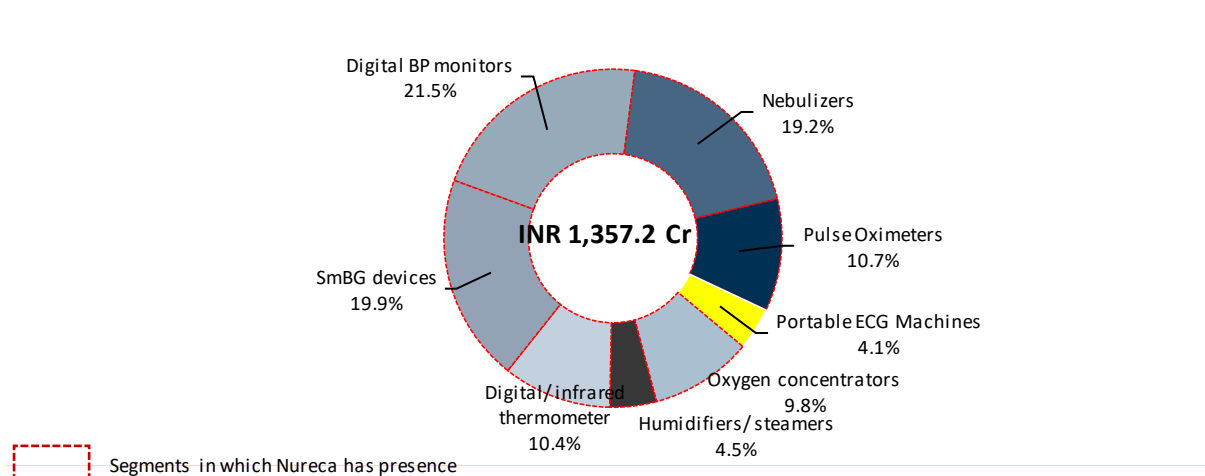
Digital Blood pressure monitors, Nebulizers and SmbG devices account for over 65% of the defined Chronic Disease products market, by Revenue

#### **Chronic Disease Products Market, by Revenue, by Product Type, 2019-2025E**

| Segments                         | 2019           | % India Revenues | 2020E          | CAGR 2019-2020 | 2025E          | CAGR 2019-2025 |
|----------------------------------|----------------|------------------|----------------|----------------|----------------|----------------|
| <b>Chronic Disease Products</b>  | <b>1,357.2</b> | <b>86.5%</b>     | <b>1,748.0</b> | <b>28.8%</b>   | <b>2,513.3</b> | <b>10.8%</b>   |
| Digital blood pressure monitor   | 292.1          | 84.2%            | 407.8          | 39.6%          | 502.8          | 9.5%           |
| Nebulizers                       | 260.2          | 86.6%            | 316.0          | 21.4%          | 518.6          | 12.2%          |
| Pulse Oximeters                  | 144.7          | 89.2%            | 193.3          | 33.6%          | 323.0          | 14.3%          |
| Portable ECG Machines            | 55.3           | 83.5%            | 64.8           | 17.3%          | 78.9           | 6.1%           |
| Oxygen concentrators             | 133.0          | 81.6%            | 163.3          | 22.8%          | 225.3          | 9.2%           |
| Humidifiers and steamers         | 60.4           | 86.8%            | 70.3           | 16.4%          | 104.8          | 9.6%           |
| Digital and infrared thermometer | 140.9          | 92.0%            | 200.5          | 42.2%          | 299.3          | 13.4%          |

| Segments                                     | 2019  | % India Revenues | 2020E | CAGR 2019-2020 | 2025E | CAGR 2019-2025 |
|----------------------------------------------|-------|------------------|-------|----------------|-------|----------------|
| Self-blood glucose monitoring devices (SmbG) | 269.6 | 87.8%            | 330.4 | 22.5%          | 447.8 | 8.8%           |

### **Chronic Disease Products Market, by Revenue, by Product Type, 2019**



### **Digital Blood Pressure Monitors**

According to the estimates published by the World Health Organization (WHO) in 2019, around 1.15 billion people globally have Hypertension and it is a major cause behind premature death worldwide. It is a major public health problem in India and neighbouring nations, with nearly 400 Mn patients (2019), with a rapidly increasing prevalence across both urban and rural populations. It presents major challenges due to lack of awareness, low and delayed diagnosis and inadequate disease management, especially in the rural areas – In India, the prevalence ranges from 20-40% in urban adults and 12-17% among rural adults, which only highlights the much lower diagnosis rates in rural areas.

The increasing burden of hypertension and the need for regular monitoring has led to an increase in demand for home monitoring devices. Mercury based devices are difficult to use by the normal population, and digital Blood Pressure monitors are gaining popularity. The Digital BP devices market stood at ₹ 292.1 Cr in 2019, and is anticipated to reach ₹ 502.8 Cr by 2025, at a CAGR 9.5%. India formed 84.2% of the market.

The procurement of the product is largely driven by new sales in 2020, driven by the fear of respiratory illnesses due to COVID-19. Sales volumes increased by a factor of two in the initial months of the pandemic, and this trend is expected to continue for at least eight months in 2020, translating to the sharp increase in revenue in 2020 by 39.6%. However, this fantastic growth would normalize to the previous trajectory by early 2021. The market is fragmented, with many players, including Omron, Dr Morepen, Health Sense and Dr Trust, with Omron and Dr Morepen comprising 20% and 15% market shares respectively. Most players import products from China, Vietnam and US and support 85-90% of the market, by revenue.

Most of the products procured are not prescription driven, but physicians do influence the decision-making process. Pharmacy sales have been the highest contribution to awareness of the products in the last decade. Interestingly, online pharmacy sales have been another growing trend for the product. The users buying the product online are largely new users and are younger age profile. A survey conducted by Frost & Sullivan showcases that new product sales is driven by need amongst 30-45 years old and replacement sales is driven by 50-65 year old users. Brand recall value is minimal amongst young users, while was very high amongst the older users. At least 30-40% of the users have tried more than one brand in the last 5 years. This showcases the poor impact of marketing and branding amongst users.

Hospital/Institutional sales accounts for 70% of total revenues, while retail segment accounts for 30%. 20% revenues are through online channels, and 40% are through pharmacies. Both in online sales and in pharmacy sales, pricing takes the top most criteria for electing the product, followed by accuracy/reliability of results and brand perception. Frost has observed from feedback from users that 90% of the online buying decisions for brands are driven by reviews and word of mouth from other users, while 60% of the decision on brand is driven by pharmacists and feedback in pharmacy sales.

## **Nebulizers**

Nebulizers deliver drugs in the form of mist inhaled into lungs of patients suffering from asthma, chronic obstructive pulmonary disease (COPD) and other respiratory diseases. COPD continues to be the important contribution toward disability, death, and burden in the costs of healthcare. Economic impact of COPD is attributed with substantial direct and indirect costs. Large smoking population, and higher level of outdoor pollution, has resulted in high prevalence rates, especially in Nepal and Bangladesh, where over 12% population is affected. India, comparatively, has a lower prevalence rate, but the actual burden is very high due to the significantly large population. The burden of Asthma in Indian subcontinent is substantial, with an estimate 46 Mn (2019) affected in India alone.

This growing burden of chronic respiratory diseases has boosted the growth of the India nebulizers market. Further, home management is a cost-effective, time saving and viable alternative and provides further boost to the nebulizer market. The Nebulizers market in India and neighbouring countries was estimated at ₹ 260.2 Cr in 2019, and is anticipated to reach ₹ 518.6 Cr by 2025, at a CAGR 12.2%. India forms 86.6% of the market.

The COVID-19 pandemic brought in a rush to purchase nebulizers. However, they are still a prescription driven market, leading to some bottleneck for sales. However, with the increase in tele-consultations and the availability to purchase the devices online from portals like Amazon, Flipkart and others, nebulizers are expected to increase sales volumes by 35-40% for 4-6 months in 2020, resulting in an overall growth in market by 21.4% for the year. However, the market growth will then revert back to the normal trajectory as the urgency due to COVID-19 reduces. The nebulizers market in India is fragmented, with both MNCs and smaller players. Omron is currently the market leader, with 30% market share, followed by Dr Morepen with 25%, and Philips Healthcare with 10% market shares. There are many other players which make up for the remaining 30% market, including Niscomed, Romsons, Dr Trust, AGARO, BPL Medical technologies, K-Life, Niwik and Sahyog Wellness.

Pricing for the devices was expected to increase due to the sudden increase in requirements, because of the increasing cost of importing products and components for assembly. However, there was only slight impact on nebulizers market due to local manufacturing capability, and pre-availability of components. If the pandemic conditions move beyond 2020, there is a risk for escalation in prices, but the future sales volume will depend on urgency driven demand in the market at the time. Adult nebulizer usage has been the highest in the country and driven by institutional sales. Paediatric nebulizer usage trends are low even in institutional cases. Nebulizers is still a prescription driven market, with at least 60-70% of the sales driven by pharmacy purchases and only around 20% driven by online sales. There have been cases of rental modes available for nebulizers, but this share of the market has declined in 2020, owing to COVID-19 fear. The decision-making on the brand is driven by price and need for maintenance, with prescription, physician and pharmacist recommendations playing the key influencers. Investments in institutional care and pharmacy chain are critical for successful growth for companies.

## **Pulse Oximeters**

Pulse Oximeters are used to monitor oxygen level in blood in patients suffering from acute or chronic respiratory disorders. They are used across all levels of care in hospital, alternate and home environments. Growing prevalence of COPD, sleepapnoea, cardiac disorders, ischemic conditions, diabetes, hypertension and asthma are the major driver for growth in demand for pulse oximeters. The COVID-19 pandemic has provided additional impetus to the growth of the oximeters market, with the widespread adoption of home quarantine options by the governments across India and its neighbouring countries e.g. many state governments in India have advised the patients with mild symptoms to stay at home, isolate themselves and get treated at their homes. The requirement of monitoring vitals and symptomatic management at home has given the push to respiratory devices, including pulse oximeters, oxygen concentrators, humidifiers and other vitals tracking devices.



The sudden increase in COVID-19 cases in 2020 has also led to increase in pricing of the devices, which may, in the longer term, restrict the growth of the market. The Pulse Oximeters market in India and neighbouring countries was estimated at ₹ 145.7 Cr in 2019, and is anticipated to reach ₹ 335.7 Cr by 2025, at a CAGR 14.9%. India formed 88.6% of the market.

The procurement of the product is largely driven by the fear of COVID-19 pandemic related respiratory illness, and the volumes increased by 40% in the first few months of the year. This increase is expected to continue for 8-9 months in 2020, highlighting a sharp increase in overall revenues in 2020 by 33.7%, and then reverting back in 2021 to the normal trajectory of growth. Pulse Oximeters can be hospital grade, which are tabletop or handheld units, and are, on average, about eight to ten times costlier than the fingertip oximeters, which are portable, simpler devices targeted towards home health. About 70-80% of the market is driven by hospital/institutional requirements, which comprises of advanced pulse oximeters, but also fingertip oximeters for usage in OPDs and wards. Pulse oximeters for home health, on the other hand, are predominantly prescription driven. About 30% of overall revenues are driven by pharmacy purchases, and 25% through online sales. However, the pandemic led to an increase in home buyers purchasing these products through online channels, thus increasing the proportion of online revenues by 8-10%. The top players in India in terms of market share by revenue are Masimo, Medtronic (Nellcor), BPL and Omron. There are numerous other players in the market including Philips, GE Healthcare, Contec, Dr Trust and many others. Masimo and Medtronic, predominantly, target the hospital market, which accounts for 60% of the total Pulse oximeters sales. The finger-tip pulse oximeter market, on the other hand is extremely fragmented, with BPL and Omron capturing a major share.

A perceived shortage in supply of the devices pushed the average pricing for the product by 20-30%, with the pricing reaching three-to-four-folds in some of the pharmacies. However, this was a transitory situation, and did not sustain beyond a few days. The decision-making on the brand is driven by Brand reputation, physician recommendations, and accuracy/reliability of results, with limited focus on pricing. However, pricing will likely play a more important role if only home buyers (fingertip pulse oximeters) are considered.

### **Portable ECG Machines**

Electrocardiograms (ECGs) record electrical activity of the heart, abnormalities of which are an indicator of heart disease, like arrhythmias and acute coronary syndromes. They are, commonly, the first test conducted in case of suspected cardiovascular diseases or symptoms. The prevalence rate of Cardiovascular diseases (CVD), including coronary heart diseases, stroke, hypertensive heart diseases, inflammatory heart diseases, rheumatoid heart diseases and others, varies widely across India and neighbouring countries; from a high of 6.9% for Sri Lanka to a low of 4.4% for Bhutan. India has a high prevalence of cardiac patients which will grow to an estimated 88 Mn by 2025. The burgeoning burden of cardiac diseases across the countries can be explained by the alarming rise in the prevalence of CVD risk factors like diabetes, hypertension, dyslipidaemia, smoking and central obesity. Further, growing geriatric population, rapid urbanization and increasingly sedentary lifestyle adds to the already increasing propensity towards cardiovascular diseases.

Conventional ECG devices are tedious and time consuming, making way for portable devices, which are now gaining popularity with their ease of use and inherent convenience. Portable devices are gaining acceptance in the hospital setups, with advanced monitoring features and compact designs. Additionally, the increasing acceptance of Home Health due to increasing awareness in the population and the stress of growing health expenditures are also driving the growth in sales of the portable ECG devices which provide basic features suited for home care, high portability and ease of use, many of them using connected health design and/or Artificial intelligence. Companies are integrating smart phones and ECG monitoring devices in order to provide immediate and easy access of ECG waveforms to users and physicians on a real-time basis, enabling improvement of patient outcomes in cardiovascular disease treatment e.g. Delhi-NCR based Agatsa has developed a portable ECG device called SanketLife – a pocket friendly, easy to use ECG device -- the size of a car key chain, and does not require trained personnel to use. The person taking the test needs to touch the device at specified points and the readings of heart rate and rhythm are relayed instantly to a mobile phone application. The readings can, then, be shared with doctors on real-time basis and are stored on the Cloud for future reference. The pricing of the product is significantly lower than other devices, and, with negligible operating costs, these products are anticipated to enable clinics to offer ECG for free as a point-of-care (PoC) diagnostic test. The Portable ECG Devices market in India and neighbouring countries was estimated at ₹ 55.3 Cr in 2019, and is anticipated to reach ₹ 78.9 Cr by 2025, at a CAGR 6.1%. India formed 85.3% of the market. The growth is comparative

slower than the other products targeting Home Health market, because the product adoption is lesser – Consumers have, historically, identified ECGs with a physician visit and are unsure due to perceived challenges in understanding the output. However, increasing education and awareness of Artificial intelligence and the ability for remote monitoring are opening the doors to growth in the product category.

The fear of COVID-19 pandemic lock down causing restrictions on monitoring of patients with cardiovascular, renal and other conditions, led to an increase of sales by 21% in 2020. Once the pandemic situation normalizes, likely in 2021, the market growth will normalize to the earlier growth trajectory. Earlier, 80% of sales were directly to hospitals, 10% was through pharmacies and 10% through online sales. In 2020, online sales increased to over 18-20% of the total growth, almost all of it attributable to the Home segment. Philips, BPL and Omron are the major players in India with a combined market share over 60%, of which Philips and BPL have higher end devices, while Omron targets home health. There are several other players as well, including Contec, Dr Trust and many others, majorly having lower cost, home health devices.

Cost and brand reputation were seen to be key decision factors for purchase, with maintenance being the next important factor. Accuracy/reproducibility was assumed by the end-users to be a function of brand reputation.

### **Humidifiers and Steamers**

Humidifiers and steamers are used in multitude of situations, like improving home air quality, but are often used to reduce symptoms of respiratory diseases like allergies, flu and chronic obstructive pulmonary disease (COPD). Poor air quality (such as areas of heavy smoke, pollution or other airborne particulates) can serve to further exacerbate COPD symptoms, and humidifiers play a critical role in improving quality of air. Increasing burden of COPD in India and neighbouring countries has led to an increasing demand for these products. The Humidifiers and steamers market in India and neighbouring countries was estimated at ₹ 60.4 Cr in 2019, and is anticipated to reach ₹ 104.8 Cr by 2025, at a CAGR 9.6%. India formed 86.8% of the market.

Procurement of these products is, generally, not prescription driven. 35-40% of total sales is attributed to retail, with 25% of overall sales through online channels. Online sales are set to go higher as awareness and ease of use of the product type and ease of purchase through online channels increase. With the COVID-19 pandemic looming large, people strived towards getting the necessary apparatus towards prevention of respiratory symptoms, especially in patients with COPD, asthma and patients pre-disposed to seasonal flu. This led to a growth of over 16% in the market in 2020, with an increase in revenues through online channels as well. The market is extremely fragmented with many global players, like Dr Morepen, Dr Trust, BMC, and numerous local players. Dr Morepen is the largest player in the market with over 20% market share. Cost of product (discounts) and brand reputation are considered the top criteria in decision-making, with word of mouth, feedback from customers and recommendation from pharmacists playing a crucial role.

### **Digital and Infrared Thermometers (Medical grade)**

Digital thermometers, also known as medical thermometers are ‘contact based’ thermometers used to measure body temperature, and show the temperature on a digital display, eliminating the need for manual readings. Infrared thermometers, on the other hand, perform the same function, but without the need for physical contact. Growing geriatric population, increasing prevalence of infections and chronic respiratory diseases, increasing health awareness and need to reduce cross-infections have led to demand for accurate, low cost, accurate and preferably non-contact thermometers. Governments across countries have taken measures to prevent the spread of COVID-19 infections, and body temperature detection at various junctions, airports, train stations, offices and other gatherings is mandatory. Infrared thermometers are being effectively used for this strategy as the risk of cross-infection is low due to contactless operations. Additionally, they have high accuracy, are low cost, are easy to use, and there is minimal need for calibration. The Digital and infrared Thermometers market in India and neighbouring countries was estimated at ₹ 140.9 Cr in 2019, and is anticipated to reach ₹ 299.3 Cr by 2025, at a CAGR 13.4%. India formed 93% of the market.

Temperature being a crucial symptom for the COVID-19 infection, people bought digital thermometers for home, and infrared thermometers in screening situations (e.g. OPDs, public gatherings, schools, banks, airports and others), and will lead to a growth of 42.2% in 2020. Of the total sales, 30% is through pharmacies and 30% through online sales, while remaining 40% are directly to hospitals – Home health accounts for more than 35%, with a significant proportion

of the sales to hospitals passed on to patients, who take their thermometer units home with them once discharged. The key players in the market are Omron, Dr Morepen and Dr Trust which have a combined market share of 70%. The remaining market is fragmented with several participants, like Pigeon, Agaro, Rossmax, Hicks and others. Accuracy/reliability and cost are the key factors taken into consideration for purchase decisions by end-users. Brand awareness ranks lower in the thought process, and it's not surprising to see end-users trying more than one brand during their last few purchases.

### Self-monitoring Blood Glucose Devices (SmBG)

Diabetes is a chronic disease, which, if uncontrolled, impacts all organs and body slowly, including leading to chronic renal failure and diabetic retinopathy. Obesity, especially central obesity and increased visceral fat due to physical inactivity, and consumption of high-calorie/high-fat and high sugar diets are the major contributing factors for diabetes in Indians, leading to increasing prevalence of the disease in India and neighbouring countries, with a significant proportion (>35%) becoming diabetic before 45 years age. This leads to increasing long-term complications like retinopathy, renal and neurological deficits, and, consequently, increases the cost of healthcare delivery.

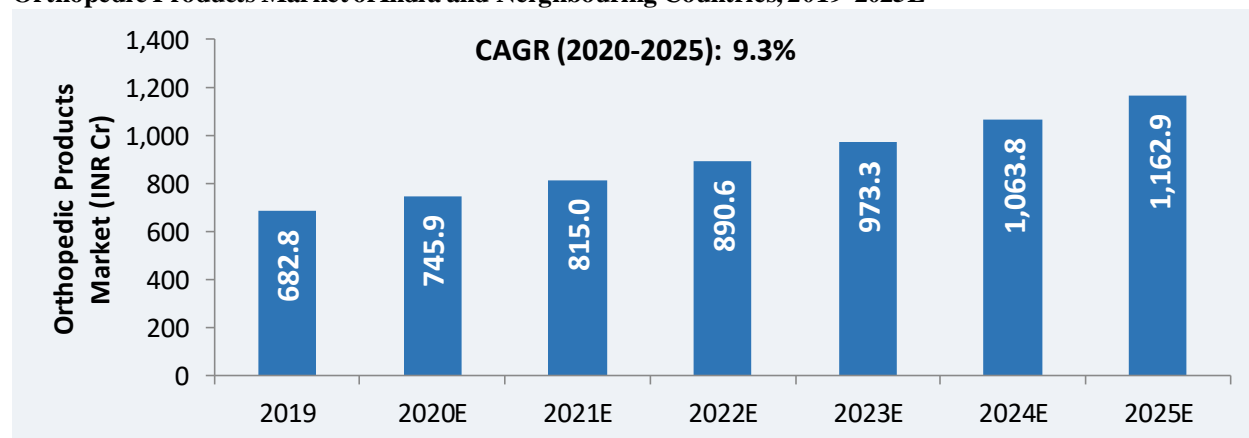
Self-monitoring of blood glucose (SmBG) has become a key component of modern management for diabetes, with recommendations from physicians on monitoring and maintaining acceptable ranges for Blood glucose levels. The awareness of self-monitoring of glucose levels has increased significantly over the years and is driving the SmBG market. The SmBG market in India and neighbouring countries was estimated at ₹ 269.6 Cr in 2019, and is anticipated to reach ₹ 447.8 Cr by 2025, at a CAGR 8.8%. India formed 87.6% of the market.

Blood sugar monitoring is a prescription driven market, but adherence to the monitoring regimen was low. With the COVID-19 pandemic, people have become more health conscious, and this has led to increased adherence, and consequently, leading to a growth in the SmBG market by 22% in 2020. 30% of the revenues is through online sales, 30% through pharmacies, and the remaining 40% to hospitals. Overall, 40-45% is attributed to home health. The major players in the market are Roche (Accu-Chek), Dr Morepen and Abbott (Freestyle) constituting about 75% share by revenue. There are many other players vying for the remaining 25% of the market, including Bayer (Contour plus), Johnson and Johnson (OneTouch), Apollo Sugar, and Dr Trust.

### Orthopedic Products

Orthopedic rehabilitation and physiotherapy products are geared towards the rehabilitation process that can be undertaken at home with the aim to bring back appropriate function in patients where there may be loss of function due to a physical or physiological injury. The growth in this market is primarily driven by the increasing incidence of chronic diseases, increasing accidents, rising geriatric population and increasing awareness for therapy. The Orthopedic products market in India and neighbouring countries was an estimated ₹ 682.8 Cr in 2019 and anticipated to grow at CAGR 9.2% to reach ₹ 1,162.9 Cr by 2025.

#### Orthopedic Products Market of India and Neighbouring Countries, 2019-2025E



India forms over 90% of the market and is growing at CAGR 9.4% between 2020-2025. Maldives and Nepal are showing double-digit growth rates, but the markets are very small within the Indian subcontinent. The COVID-19 pandemic, not surprisingly, did not have any significant impact on the market, but did see a slight increase in online sales, especially for smaller products like massagers and tail bone supports.

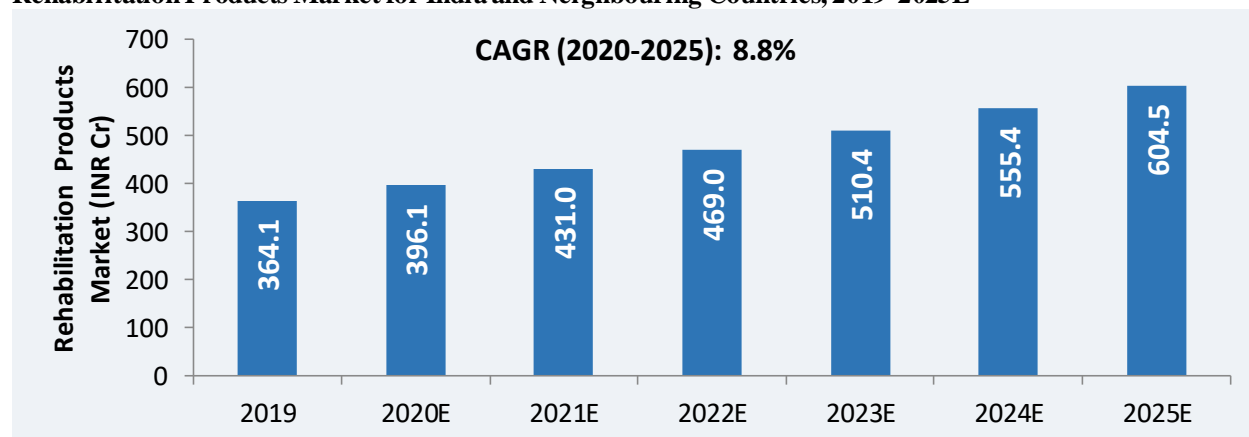
Rehabilitation products are segregated into two product groups –

- Rehabilitation products, including wheelchairs, walkers, lumbar support, tail bone supports and similar products.
- Physiotherapy devices, including foot massagers, neck massagers, body massagers, tens therapy devices and others.

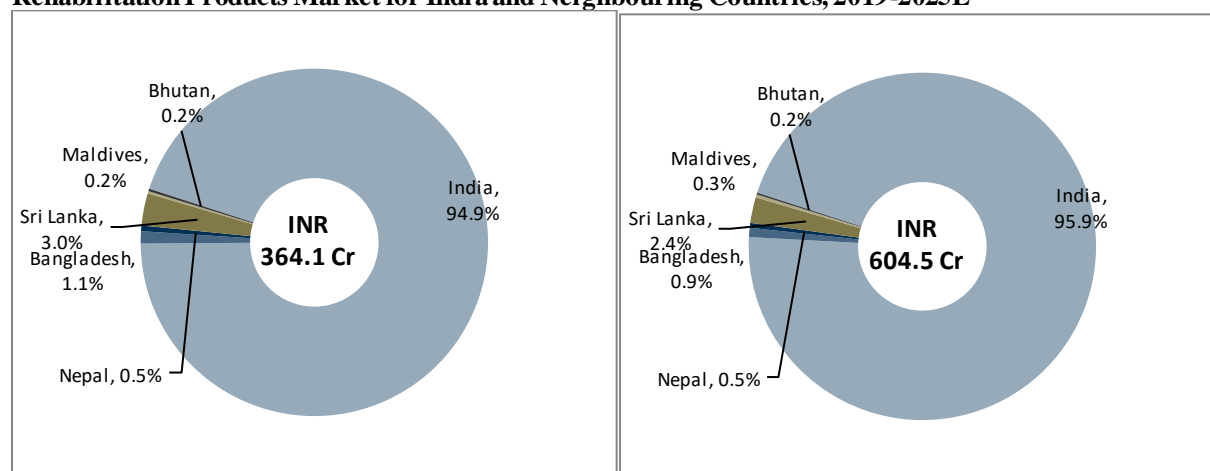
## Rehabilitation Products

This segment includes wheelchairs, walkers, lumbar support, tail bone supports and similar products. An estimated 15% of the global population (2011) have physical disabilities. This burden is only increasing with growing geriatric population, increasing chronic diseases like Diabetes which increases prevalence of diabetic ulcers, neuropathies and amputations, coupled with increasing injuries from accidents and other causes. This segment was an estimated ₹ 364.1 Cr in 2019, with India forming 95% of the market. It is expected to grow at a robust CAGR 8.8% till 2025 to reach ₹ 604.5 Cr.

### Rehabilitation Products Market for India and Neighbouring Countries, 2019-2025E



### Rehabilitation Products Market for India and Neighbouring Countries, 2019-2025E



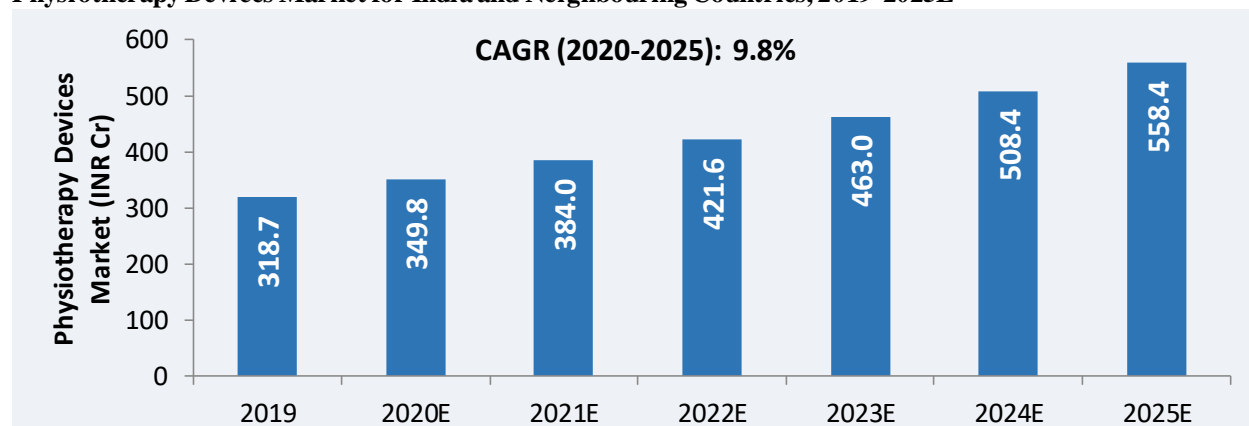
The COVID-19 pandemic is not expected to have any significant impact on the revenues of the rehabilitation products, but some increase on online sales has been observed due to easier purchase process, especially for smaller products

like tailbone supports. The sales are, predominantly, prescription driven, with 50% through hospitals/institutional, 25% through pharmacists and 25% through online channels. Over 45% of revenues are attributed to Home care. For some products, like wheelchairs, 30% consumers rent the product on periodic basis. Kosmocare, Viva, JSB, Dr Trust, and Karma (Wheelchairs) are the key players in the market, but the market is fragmented with many smaller players, all catering to some of the products types.

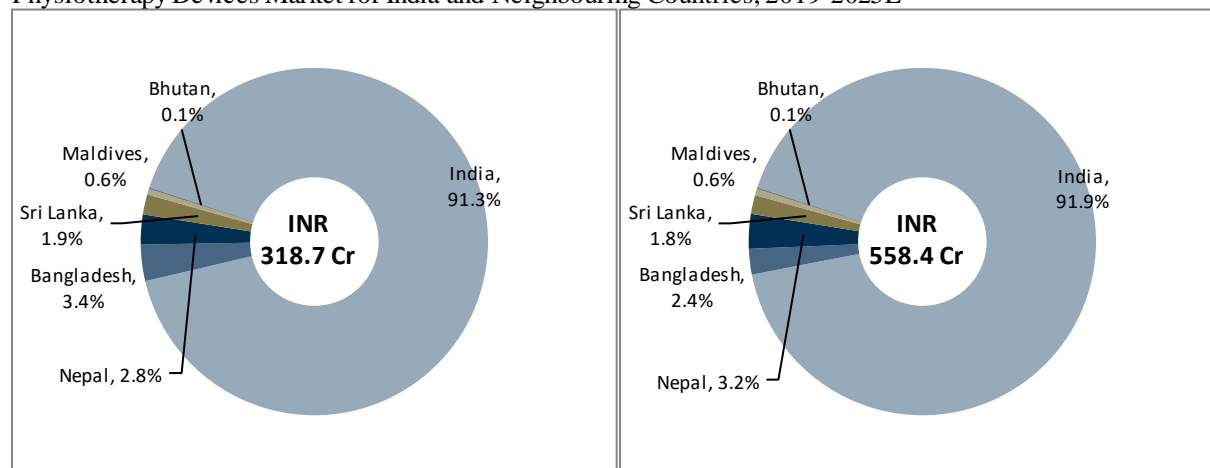
## Physiotherapy Devices

This segment includes products like foot massagers, neck massagers, body massagers and Transcutaneous Electrical Nerve Stimulation (TENS) therapy devices. Increasing prevalence of cardiovascular and neurological diseases, expanding elderly population and growing awareness about the therapeutic benefits of physiotherapy such as improving mobility and strengthening affected body areas, are the major drivers for the market. It was an estimated ₹ 318.7 Cr in 2019, with India forming 91% of the market, and expected to grow to ₹ 558.4 Cr in 2025 at a CAGR 9.8%.

### Physiotherapy Devices Market for India and Neighbouring Countries, 2019-2025E



### Physiotherapy Devices Market for India and Neighbouring Countries, 2019-2025E



While prescription drives the physiotherapy devices market, a sizeable proportion is also driven through recommendations from pharmacies and online recommendations on therapy for neck, body and foot pain. 30% revenues are through online sales, 30% through pharmacies, and 40% through hospitals/institutions. Overall 50% of the revenues are attributed to home health. Agaro, Lifelong, Healthsense, Dr Physio, JSB and Dr Trust are the key players in the market, with Agaro and Lifelong having more than 50% market share between them.

## Mother and Child Products

Consumption of Mother and Baby products is mainly driven by those born after 1980s as these generations are generally considered to be more willing to try new products, as well as heavily influenced by the Internet, and open to international culture. Convenience is more important to today's young mothers than to those from previous generations. Coupled with a growing disposable income, higher economic independence and a better quality of life, the demand for mother and child products is expected to increase further. India is reported to have the highest number of births in the world, estimated at 121 million (2015-2020).

Quality is more important than ever, which presents a significant opportunity for global companies, which are often perceived by consumers to be of a higher quality, safer, and more reliable than their domestic counterparts. The effects of this demand for quality can be seen in specific and detailed consumer demands for products to be healthy, pollutant-free, environmentally friendly, and contain minimal added additives, as well as to have a long service life. The Mother and Child products industry comprises of Breast pump (manual and automatic pumps), Mother care (bottle sterilizers and bottle warmers), Child care (car seats, baby carriers, baby cots), Nursing pillows, Liquid baby wash, shampoo and lotion, Diaper rash cream, Baby monitors and Strollers.

The Mother and Child market in India and neighbouring countries was an estimated ₹ 310.3 Cr in 2019 and anticipated to grow at CAGR 10.3% to reach ₹ 557.7 Cr by 2025.

India forms about 86% of the market, growing at CAGR 10.3% between 2020 and 2025. India also forms the fastest growing market attributed to the huge population base and improving healthcare infrastructure. Revenues from Retail segment end-users accounted for 90% of the market in 2019, and only 7.4% was attributed to private hospitals. Sales through government facilities were negligible.

82.7% sales were through Hospitals/Institutions, while Digital/ecommerce sales accounted for 17.3%, by revenue in 2019. Mother and Child care products include the following product types –

- Breast pump (manual and automatic pumps)
- Mother care (bottle sterilizers and bottle warmers)
- Child care (car seats, baby carriers, baby cots)
- Nursing pillows
- Liquid baby wash, shampoo and lotion
- Diaper rash cream
- Baby monitors
- Strollers

### **Breast Pumps (manual and automatic pumps)**

Breast pumps are medical devices used by breastfeeding women to extract (“express”) their breast milk. Breast pumps can also be used to maintain or increase a woman's milk supply, relieve engorged breasts and plugged milk ducts, or pull out flat or inverted nipples so a nursing baby can latch-on to its mother's breast more easily. At present, various types of pumps are available in the market such as manual pumps, electric pumps and battery operated pumps. The World Health Organization recommends breastfeeding for the first two years of a child's life. Even though breastfeeding rates are on the rise globally, a rise in the number of working women means that less than half this number are still breastfeeding their baby at six months. Many women find it convenient, or even necessary, to use a breast pump to express and store their breast milk once they have returned to work, are traveling, or are otherwise separated from their baby. Frost & Sullivan estimates that over 60% of working women are open to try the usage of Breast pumps, but the adoption is set to increase with growing awareness, education and breaking of the cultural barriers. The Breast Pumps market stood at ₹ 31 Cr in 2019, and is anticipated to reach ₹ 57 Cr by 2025, at a CAGR 10.7%. India formed 86% of the market.

The COVID-19 pandemic led to lockdown restrictions, and increased the availability of mothers at home, which is expected to reduce the revenues by 31% in revenues pumps in 2020. As the market opens up, women will start going back to office environments, and the previous trend will continue. 65% of the market is retail, and the remaining 35% is attributed to Hospital/institutional sales. Online sales were 25%, whereas 35-40% were through pharmacies. The market is consolidated, with Philips, Mee Mee and Pigeon, comprising over 60% of the market share. However, the remaining 40% of the market has many players, including Morisons, Derby, Luv Lap, Trumom, Medela, and others.

Medela is a leading player in the automatic breast pumps market. Cost and Ease of use were the prime factors considered for decision-making among end-users. Auxiliary workers' recommendations, pharmacy recommendations, and online reviews are the typical influencers in the decision.

#### **Mother Care (bottle sterilizers and bottle warmers)**

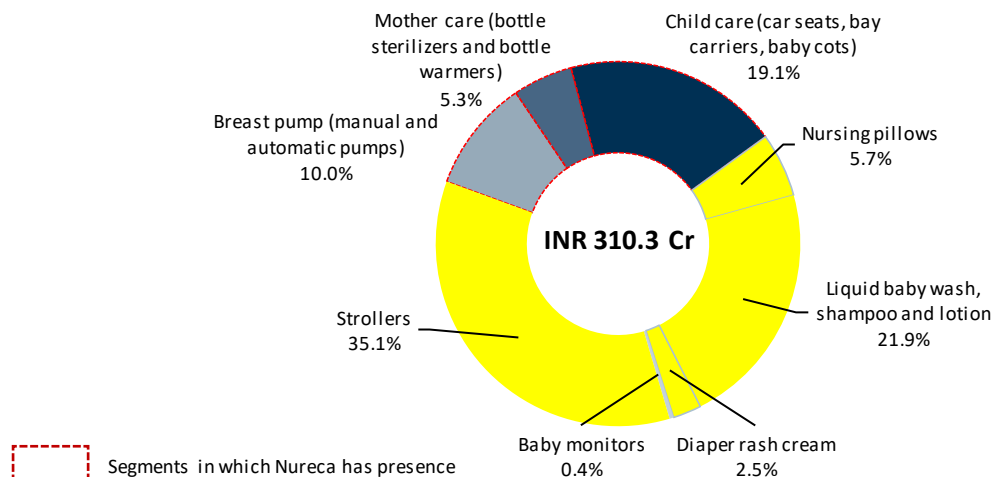
Mother care products are effective, practical and quick to sterilize, and to prepare milk and baby food at the right temperature. Bottle warmers are useful when for preparing milk bottles out of the house or in the car. They not only warm the temperature of the bottle, but also maintain it at optimal conditions. Increasing urbanization and working women population has led to the increase in the demand of these products in the recent past. The Mother care market in India and neighbouring countries was estimated at ₹ 16.5 Cr in 2019, and is anticipated to reach ₹ 33.5 Cr by 2025, at a CAGR 12.5%. India forms 66.4% of the market.

The COVID-19 pandemic is expected to lead to a decline in market by 27% in 2020. However, the market is expected to rise from 2021 and continue the normal trajectory. 60% of the market is retail, and the remaining 40% is attributed to Hospital/institutional sales. Online sales were 15%, and about 50% is through pharmacies. There has been no significant impact on online sales in 2020. The bottle sterilizers and warmers market in India has many players, with global players such as Philips, Mee Mee, Pigeon, Chicco, Medela, Morisons, and many smaller players. Philips accounts for 25% of the market, while Mee Mee has a 20% market share.

#### **Mother and Child Care Products Market, by Revenue, by Product Type, 2019-2025E**

| Segments                                            | 2019         | % India Revenues | 2020E        | CAGR 2019-2020 | 2025E        | CAGR 2019-2025 |
|-----------------------------------------------------|--------------|------------------|--------------|----------------|--------------|----------------|
| <b>Mother And Child Products</b>                    | <b>310.3</b> | <b>86.4%</b>     | <b>235.1</b> | <b>-24.2%</b>  | <b>557.7</b> | <b>10.3%</b>   |
| Breast pump (manual and automatic pumps)            | 31.0         | 85.9%            | 21.3         | -31.3%         | 57.0         | 10.7%          |
| Mother care (bottle sterilizers and bottle warmers) | 16.5         | 66.4%            | 12.1         | -26.8%         | 33.5         | 12.5%          |
| Child care (car seats, bay carriers, baby cots)     | 59.4         | 86.5%            | 28.7         | -51.7%         | 104.9        | 9.9%           |
| Nursing pillows                                     | 17.7         | 86.5%            | 18.8         | 6.4%           | 25.6         | 6.4%           |
| Liquid baby wash, shampoo and lotion                | 67.8         | 91.6%            | 74.1         | 9.3%           | 115.5        | 9.3%           |
| Diaper rash cream                                   | 7.8          | 89.3%            | 8.6          | 10.1%          | 13.6         | 9.6%           |
| Baby monitors                                       | 1.2          | 100.0%           | 0.4          | -63.8%         | 2.6          | 14.6%          |
| Strollers                                           | 109.0        | 86.0%            | 71.1         | -34.7%         | 205.0        | 11.1%          |

#### **Mother and Child Care Products Market, by Revenue, by Product Type, 2019**



## Nutritional Supplements

Nutritional supplements refer to a broad class of food-derived ingredients that offer health benefits to the consumer in addition to the general nourishing benefits derived from food, thus rightly falling in the intersection between nutrition and pharmaceuticals. The nomenclature of the term nutritional supplements has been evolving and changing throughout the last few decades. With different countries defining Nutraceuticals differently, it could refer to products that range from isolated nutrients, dietary supplements, herbal medicines, functional foods, medical/specific diets and beverages. Functional foods is a rapidly growing market including products like fortified flour, fortified oil, fortified malted powder, breakfast cereals, probiotic foods, sports and energy drinks, fortified juices etc. Increased awareness and spending on 'healthy' products, increased exposure to imported brands and foodstuffs (driven by organized retail outlets) and rapid urbanization have been some of the key growth drivers. Nutritional supplements are consumed to make up for the deficiencies in human body. These are the vitamins, omega- 3, calcium tablets or multivitamins consumed across several formats including Powders, Chewables, Syrups, Chyawanprash and Tables/Capsules. Increased instances of micro-nutrient deficiency, Affluence of working population with changing lifestyles and dietary patterns and increasing nutrition care awareness are driving growth

Chyawanprash is comprised of Ayurvedic cooked mixture of sugar, honey, ghee, Indian Gooseberry, herbs and spices, etc. Popular brands in this space include Dabur, Zandu, etc. Tablets & capsules sub-segment includes regular tablets, soft gel, effervescent and capsules used for administering multivitamins and minerals. Most commonly used brands include Revital, Nutrilite, Neurobion, Becosules, etc. Syrups are dietary supplements administered in syrup format. Its popular brands include Zinconia, Glyred, Dexorange. Other supplements include candies/ gummies, popular brands of which include Super Gummy, L'il Critters, Tom & Joy, etc.

India and neighbouring countries has nutritional supplements market of ₹ 17,840 Cr in 2019 which is projected to grow to ₹ 33,368 Cr by 2025. Majority of the market is held by vitamins, multi-vitamins and other mineral supplements in the region. India contributes highest market share owing the higher per capita disposable income per household.

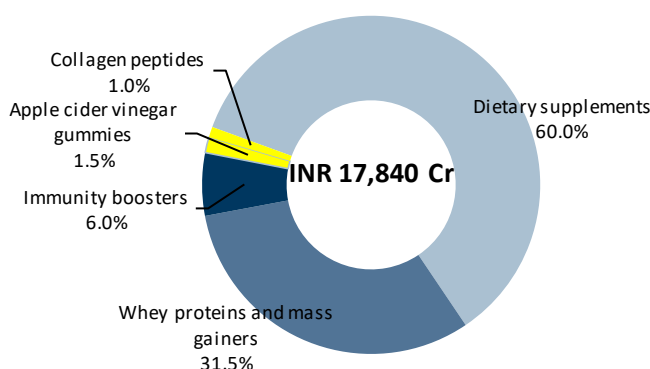
### Nutritional supplements Market, by Revenue, by Product Type, 2019-2025E

| Segments                                                                | 2019            | % India Revenues | 2020E           | CAGR 2019-2020 | 2025E           | CAGR 2019-2025 |
|-------------------------------------------------------------------------|-----------------|------------------|-----------------|----------------|-----------------|----------------|
| <b>Nutritional Supplements</b>                                          | <b>17,840.0</b> | <b>95.5%</b>     | <b>19,799.7</b> | <b>11.0%</b>   | <b>33,409.4</b> | <b>11.0%</b>   |
| Dietary supplements (fish oil, probiotics, vitamins and multi-vitamins) | 10,704.0        | 95.6%            | 11,881.4        | 11.0%          | 20,020.9        | 11.0%          |



| Segments                       | 2019    | % India Revenues | 2020E   | CAGR 2019-2020 | 2025E    | CAGR 2019-2025 |
|--------------------------------|---------|------------------|---------|----------------|----------|----------------|
| Whey proteins and mass gainers | 5,620.0 | 95.3%            | 6,294.4 | 12.0%          | 11,092.9 | 12.0%          |
| Immunity boosters              | 1,070.0 | 95.5%            | 1,155.6 | 8.0%           | 1,698.0  | 8.0%           |
| Apple cider vinegar gummies    | 268.0   | 95.9%            | 281.4   | 5.0%           | 359.1    | 5.0%           |
| Collagen peptides              | 178.0   | 96.0%            | 186.9   | 5.0%           | 238.5    | 5.0%           |

Nutritional supplements Market, by Revenue, by Product Type, 2019



### Dietary supplements

Dietary supplements constitute a fast growing segment for nutraceuticals in India, with growing consumer awareness about health, well-being and fitness driving organic growth of customer base for supplement products. The use of dietary supplements has increased dramatically over the last few years with the advancement of scientific research and consumer awareness as well as growing trend of prescriptions through the medical community including physicians, dermatologists and dieticians. There is increasing engagement from companies from different sectors including traditional pharmaceutical companies as well as FMCG conglomerates, creating an intensive. The dietary supplements market in India & neighbouring target countries is estimated at ₹ 10,704 Cr in 2019 which is projected to grow at 11% over the next half decade to reach ₹ 20,021 Cr by the end of 2025.

### Lifestyle Products

The Lifestyle products market in India and neighbouring countries is expected to witness a robust growth owing to increasing household spending, rapid urbanization and growing awareness on fitness and wellbeing. Considering smart weight scales, aroma diffusers and fitness trackers, the market was an estimated ₹ 566.6 Cr in 2019 and anticipated to grow at CAGR 14.5% to reach ₹ 1,277.4 Cr by 2025. India forms over 90% of the market and is growing at CAGR 9.4% between 2020-2025. Maldives and Nepal are showing double-digit growth rates, but the markets are very small markets within the Indian subcontinent.

| Segments                      | 2019         | % India Revenues | 2020E        | CAGR 2019-2020 | 2025E          | CAGR 2019-2025 |
|-------------------------------|--------------|------------------|--------------|----------------|----------------|----------------|
| <b>Lifestyle Products</b>     | <b>566.6</b> | <b>92.0%</b>     | <b>648.5</b> | <b>14.5%</b>   | <b>1,277.4</b> | <b>14.5%</b>   |
| Smart scale and weight scales | 72.2         | 84.1%            | 82.5         | 14.3%          | 161.7          | 14.4%          |
| Aroma diffusers               | 10.6         | 91.0%            | 11.8         | 11.0%          | 19.9           | 11.1%          |
| Fitness tracker               | 483.8        | 93.2%            | 554.2        | 14.5%          | 1,095.9        | 14.6%          |

The Lifestyle products segment is served by Nureca through its brand line Dr Trust, with Aroma diffusers and smart scales and weight scales, putting their current addressable market at ₹ 82.8 Cr in 2019. However, Fitness trackers are a majority product type within the segment, where Nureca does not play. Expansion into this segment, with the brand trust and perception already developed by Nureca, will expand the potential growth for Nureca.

### About Nureca Limited

Nureca entered the India market 4 years ago, a time when the market was flooded with many products in the Home Health market – premium companies brought good products but with out-dated technology; smaller players, both local and Chinese, were bringing in generic and low-quality products – Nureca identified and targeted the opportunity to address the need for innovative products but with high quality at reasonable premium, and are showing a significant growth due to the impressive response from the market. The current addressable segments for Nureca in India and neighbouring countries are Chronic Disease Products, Mother and child care and Orthopedic products. They sell their innovative products through their brand portfolios – Dr Trust, Trumom and Dr Physio.

Currently, 95% of revenues for Nureca come through digital channels (eCommerce). However, this poses an opportunity for Nureca to expand into the offline channel. This would provide significant impetus to their growth, and build their brand value as well. To expand their business footprint, Nureca, in October 2019, joined hands with Croma, India's first omni-channel electronics retailer from the Tata Group, to emerge as the very first company to sell healthcare and wellness products through Croma stores. As part of this tie-up, Nureca will sell products from its Dr Trust and Dr Physio brands at 30 Croma stores across the country, and this would grow with the increasing adoption of the products.

## OUR BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” on page 17 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Significant Factors affecting our Results of Operations” on pages 25 and 210, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Information included in this Red Herring Prospectus. For further information, see “Financial Information” on page 155.*

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

*Unless otherwise indicated, industry and market data used in this section has been derived from the Frost & Sullivan Report. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Frost & Sullivan Report and included herein with respect to any particular year refers to such information for the relevant calendar / financial year*

## OVERVIEW

We are a B2C company engaged in the business of home healthcare and wellness products, which offers quality, durability, functionality, usability and innovative designs. We enable our customers with tools to help them monitor chronic ailments and other diseases, to improve their lifestyle. We believe in innovation and catering new products to the ever-growing needs of the home health care sector. We are a digital first company wherein we sell our products through online channel partners such as e-commerce players, distributors and retailer. Further, we also sell our products through our own website drtrust.in.

We have most of the product lines supporting home health market in India, making it a one-stop solution provider. Dr Trust is a known for its innovative products in the market, and, with the segment showing significant potential for growth, our Company is positioned to show significant growth. (Source: Frost & Sullivan Report).

We have a diversified product portfolio, which primarily caters to home healthcare sector. We provide an improved product mix to our customers and their preferences thereby targeting a wider customer base. Our growth is further driven by our ability to make available an assortment of quality products under trusted brands built by our Company.

The Home Health Market in India and neighbouring countries is pegged at ₹20,757.0 crore in 2019 and is expected to grow to ₹38,920.7 crore by 2025 at a CAGR 11.0%. The growth is driven by rising awareness of Health and wellness, increasing spending power, growing burden of chronic diseases, and the need for Healthcare stakeholders to reduce healthcare costs (Source: Frost & Sullivan Report).

Currently, we classify our products portfolio under the following five categories such as

- (i) **Chronic Device Products** – which includes products such as blood pressure monitors, pulse oximeters, thermometers, nebulizers, self monitoring glucose devices, humidifier and steamers.
- (ii) **Orthopedic Products** – which includes rehabilitation products such as wheelchairs, walkers, lumbar and tailbone supports and physiotherapy electric massagers.
- (iii) **Mother and Child Products** – which includes products such as breast pumps, bottle sterilizers, bottle warmers, car seats and baby carry cots.

- (iv) **Nutrition Supplements** – which includes products such as fish oil, multivitamins, probiotics, botin, apple cider and vinegar.
- (v) **Lifestyle Products** – which includes products such as smart scales, aroma diffusers and fitness tracker.

With an aim to offer a comprehensive range of products, we have expanded our product portfolio, which have resulted in enhanced growth and profitability. We believe that we differentiate ourselves from our competitors through innovation and design, use of advanced technologies and in-depth understanding of rapidly changing consumer preferences in India, which have enabled us to develop several new product categories that address unique customer needs. We believe that our product development capabilities have enabled us to establish ourselves as an innovative Indian home healthcare company.

We market and sell our products across India through our own website i.e. drtrust.in and third party e-commerce platforms, distributors and retailers. We manage our sales and marketing activities through our Corporate Office. We believe this distribution network ensures that our products are easily available in almost any part of India. We continue to engage in various marketing initiatives to build brand awareness and recall value for our products and to grow our market share. In addition to leveraging and engaging our distribution network for marketing initiatives, we also undertake direct promotional initiatives like advertising our products through digital marketing.

Our revenue from operations on a consolidated basis was ₹994.26 million, ₹618.97 million and ₹200.51 million for Fiscal 2020, 2019 and 2018, respectively and ₹1,221.45 million for the six months period ended September 30, 2020. Our revenue from operations has grown at a CAGR of 122.68% during Fiscal 2018 to 2020.

Our EBITDA on consolidated basis was ₹97.55 million, ₹91.42 million and ₹43.93 million for Fiscal 2020, 2019 and 2018, respectively and ₹500.06 million for the six months period ended September 30, 2020. Our restated profit after tax on a consolidated basis was ₹63.95 million, ₹62.26 million and ₹31.12 million for Fiscal 2020, 2019 and 2018, respectively and ₹361.80 million for the six months period ended September 30, 2020. Our net profit has grown at a CAGR of 43.35% during Fiscal 2018 to 2020.

### **Business response to COVID-19**

Since the onset of the COVID-19 pandemic in March 2020, our Company has responded swiftly by implementing various processes to ensure our operations continue seamlessly. As we are engaged in marketing of home healthcare products, which helps the user to monitor their health from their home, our products such as oximeter, gluco meter, nebulizer and BP monitor were categorized under the essential goods' and our operations were not shut down during this pandemic. Further, these products also helped the user from visiting the hospitals during the lockdown. However, due to limited availability of logistics and supply chain constraints, we were impacted during the initial period of the lockdown. We continued our operation after making arrangements to meet the government's requirements on sanitization, people movement and social distancing

Home healthcare helps reduce hospital visits, thereby reducing hospital induced infections. In a survey conducted, it was found at least 70% of the outpatient visits happening didn't require physical interaction and could be replaced with tele-consultations or remote monitoring. While the effort to reduce hospital acquired infections is a continual battle, the raging COVID-19 pandemic and fear of infection has pushed people towards virtual visits and home health products where hospitalization was not necessary e.g. digital blood pressure monitors, nebulizers, thermometers etc. In our research, statistics reveal that 60% of the virtual visits happening in India currently are driven by gynaecological and maternal health visits. (Source: Frost & Sullivan)

We have experienced sustained growth in our business in recent years, including currently during the ongoing outbreak of COVID-19. We consider that our swift response and proactive steps taken have mitigated the impact of COVID-19 pandemic on our business and personnel thus far. The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors. For further details see "Risk Factors - Our business has been affected by the COVID-19 pandemic and may continue to affect our business, results of operations and financial condition" on page 25. Also see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Recent Development – Impact of COVID-19"

## **OUR KEY STRENGTHS**

We believe that the following are our primary strengths:

### ***Strong portfolio of our products and consistent focus on quality and innovation***

We believe that quality is a pre-requisite for a positive consumer experience and long-term brand loyalty. This philosophy has formed the foundation of the expansion and diversification of our product portfolio since inception. In order to offer new and varied products to our customers, we focus on creating innovative products with an emphasis of quality and efficiency. Further, we focus that our products are adhered to the most stringent CE and FDA guidelines. Therefore, majority of the manufacturing facilities and processes used by our suppliers for manufacturing our products be approved by the FDA and their respective regulators. Our focus on quality is maintained at all stages, right from the sourcing of raw materials and manufacturing to the product development, which is subject to a rigorous review and monitoring process. For products which are sourced by us from third party, we have a dedicated sourcing team or we hire third party services which closely monitors the quality of such products. Our efforts to maintain the quality of our products have been well recognised in the industry.

Based on our experience we have focused on investing in experience based product innovation that are most relevant in creating the consumer experience. The year on year expansion and optimisation of our product portfolio has also been innovative, and we have added products based on shifts in consumer preferences and market demand. Dr. Trust is a known for its innovative products in the market (*Source: Frost & Sullivan Report*). We believe that we have been able to bring product innovation into the Indian market through our several innovative products.

### ***Asset light business model and competitive products***

Our business model relies on our ability to design products that are of good quality, innovative and functional, through optimal sizing from a suitable manufacturer or vendor and our long standing relationship with our vendors. We enter into agreements with vendors who manufacture our products as per our specifications and this allows us to scale our operations quickly at a pre-determined cost and as per our quality standards without incurring any capital expenditure on manufacturing facilities. We have set internal parameters in relation to our products, which has led to establishment of our brand identity amongst our customers. We operate on an asset light business model which does not require us to invest heavily on physical assets such as plant and machinery, land and property and therefore we believe this business model allows us to be capital efficient. We believe our business model is scalable, such that we can expand our geographical reach and distribution capacity and add new products efficiently and at a relatively low cost without disrupting our existing business. We also believe that our asset light model allows us to leverage our strong product portfolio, coupled with a strong distribution network and long standing relationships with vendors to contribute to the profitable growth and development of our business. Further, this also helps us in better cash flow management and lower risk.

### ***Combination of technical expertise and understanding of Indian consumer preference***

We believe that our brands i.e Dr. Trust, Dr. Physio and Trumom have built a reputation of introducing innovative products that appeal to Indian customers. We combine our technical expertise with an understanding of the Indian home healthcare market developed through market feedback and extensive interaction with our vendors. Through these efforts, we seek to be the first to introduce innovative products in the market with unique functionalities that create new demand. For example, we have launched BP monitors which can be connected to a mobile phone through bluetooth or our own application i.e. Dr. Trust BP Connect App for remote monitoring of the patient.

### ***Experienced Promoter with strong senior management team having domain knowledge***

We have an experienced professional management team under the overall stewardship of Saurabh Goyal. Our Promoter, Saurabh Goyal have over 10 years of experience in the home healthcare sector and we benefit immensely from his expertise. The experience of our Promoter in the home healthcare sector is supplemented by our senior management team. We have built an experienced team of senior management professionals, led by our Chief Executive Officer, Aryan Goyal. We believe that our management team's in-depth understanding of target markets and client demand and preferences have enabled us to grow our business and expand our operations. Their

understanding of industry trends, demands and market changes, have enabled us to adapt and diversify our offerings and leverage market opportunities. For further information on our management team, see “*Our Management*” on page 127.

## **OUR KEY STRATEGIES**

Our strategies are focused on the following elements:

### ***Diversifying and strengthening our market by enabling us to cater to a wide range of geographies and customer segments***

Our overall strategy is commensurate for us to take advantage of the expected growth in the unorganised home healthcare sector in India. Increasing our penetration in new geographies will enable us to penetrate into new catchment areas with new geographies. Enhancing our reach to cover additional cities or states will enable us to reach out to more customers. We intend to strengthen our market in new geographies through following distribution network with a focus on efficiency:

#### *Online Channel Strategy*

- We believe that investments in developing our online presence allow us to cater to our customers’ evolving spending and shopping preferences in a cost-effective manner.
- We continue to work with online retailers to increase the share of our products sold through their platforms.

#### *Offline Channel Strategy*

We believe there continues to be significant opportunity for us to expand our distribution network in India.

- Increasing the ranges available in our channels and engaging customers to understand their requirements
- In our market channel, we plan to increase penetration by increasing counters where our brands are present and add sales promoters to high performing stores.
- We work at deepening our relationships with these and increasing our sales and expanding distribution in lower tier towns. As part of our strategy, we will continue to develop relationships with wholesale distributors by ramping up dealer and distributor networks.

Our emphasis is on expanding the scale of operations as well as growing our supply chain network, which we believe will provide attractive opportunities to grow our customer bases and revenues.

### ***Strengthening our business through product innovation and new product launches.***

We seek to design products that are of good quality, innovative and functional. We anticipate the introduction of new products, which can be connected to a device for remote monitoring of the patients. Our Company already has apps such as “Dr. Trust Scale Connect App” and “Dr. Trust BP Connect App” which enables user of our smart scales and BP machines to monitor and share their healthcare data with doctors, nutritionist and family members. Therefore, we intend to improve and invest in such apps, create new apps for our devices and add more value added applications to advise and improve lifestyle/health of our customers.

We intend to continue to leverage on our in-depth market research to enable us to introduce a wider range of products under our existing brands based on consumer preferences and demand and to distinguish ourselves from our competitors. We intend to further expand our product portfolio by adding more supplement and nutrition products and create a pipeline of innovative healthcare and wellness products. Our Company has registered and applied for registration of various brands under various classes of trademark, which are not related to our current line of business. The sale from these categories is insignificant. However, we may invest in these and intend to grow these in the future. We look to further strengthen our relationship with our existing customers and meet their requirements. Whilst we continue to cater to our existing customers, we are emphasizing a lot on establishing new our relationship with prospective customers through cross-selling different product so that we can build a strong customer base as well. We believe that maintaining a diverse portfolio in our business provides us with an opportunity to cater to diverse needs

of our different customers.

### ***Strengthening up our business through effective branding, promotional and digital activities***

We seek to increase our brand awareness and build differential brand equity through above-the-line investments in television and outdoor media; marketing initiatives, new product lines and brand extensions. We also seek to increase our brand awareness through effective online marketing strategies by creating presence across multiple digital media, strong emphasis on search engine optimisation and messaging on digital advertisement media. Brand reputation are considered the top criteria in decision-making, with word of mouth, feedback from customers and recommendation from pharmacists playing a crucial role (*Source: Frost & Sullivan Report*). Our marketing and advertising initiatives are directed to increase brand awareness, acquire new customers, drive customer traffic across our distribution channels and strengthen and reinforce the image of our brand portfolio. We undertake numerous marketing initiatives to promote our brand image and customer loyalty through brand-awareness campaigns, social media and partnering with celebrities and to serve as brand ambassadors. We plan to effectively utilize our website, social networking sites and other online forms of communication to build consumer knowledge of our brands. We believe increasing brand awareness will lead to greater foot traffic and enable us to continuously increase our loyal consumer base and ultimately contribute to enhanced growth and profitability. For Fiscals 2020, 2019 and 2018, our advertising expenses on consolidated basis were ₹31.31 million, ₹23.12 million and ₹2.49 million, respectively, i.e. 3.15%, 3.74% and 1.24% of our consolidated revenue from operations, respectively and ₹20.13 million for the six months period ended September 30, 2020 i.e. 1.65% our consolidated revenue from operations.

We intend to continue our brand building measures by introducing strategic marketing initiatives and customer engagement programs. We believe that our focus on product innovation and marketing initiatives will allow us to expand our business as customer preferences and brand aspirations evolve. Further as our brand awareness increases and more customers consider our products, we intend to continue striving to provide customers with a best in class products.

### ***Retain and attract the best talent and develop a performance focused culture***

Our employees are critical to our business. We believe that the key to our success will be our ability to continue to maintain and grow a team of talented and experienced professionals. We intend to continue placing special emphasis on attracting, training and retaining our employees.



We also internally assess our employees to periodically identify competency gaps and use development inputs (such as training and jobrotation) to address these gaps. We have been successful in building a team of talented professionals and intend to continue placing emphasis on managing attrition and attracting and retaining motivated employees. We have implemented staff training policies and assessment procedures in a transparent and consistent manner in the past and will continue to do so.

We intend to continuously enhance our employees' skills and productivity. We will continue to help our employees develop understanding of our customer-oriented corporate culture and service quality standards to enable them to continue to meet our customers' changing needs and preferences. We will continue to regularly review and update our employee compensation plans and bonuses based on their individual performance so that our employees are suitably incentivised. We also intend to continuously re-engineer our organisation set up towards lean structure to allow us to respond effectively to changes in the business environment of our markets.

## **DESCRIPTION OF OUR BUSINESS**

### **Our Brands**

The following brands are currently being used by our Company for its existing product range:

| Logo                                                                              | Particulars                                                                                                                                                                                                                           |
|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <i>Dr. Trust:</i> This is our flagship brand. The products catered under the Dr. Trust brand enables the users to effectively monitor chronic alignments and improve their lifestyle.                                                 |
|  | <i>Dr. Physio:</i> This brand is used for our products under Orthopedic category such as electric massagers, wheelchairs and walkers. It offers the most imaginative, unwinding, restorative, wellbeing and individual care products. |
| TRUMOM                                                                            | <i>Trumom:</i> This brand is used for our products under Mother and Child Care category which offers mother care and child care products to enhance the parenthood experience.                                                        |

## Our Product Portfolio

We have a variety of products and the same are sold under the following categories:

- (i) Chronic Disease Products;
- (ii) Orthopedic Products;
- (iii) Mother and Child Products;
- (iv) Nutritional Supplements and
- (v) Lifestyle Products.

### *Chronic Disease Products*

In this category, we are engaged in the marketing of products such as BP monitor, respirator/ nebulizer, pulse oximeter, thermometer, glucometer and portable ECG machine. A brief description of our products portfolio under this category, *inter alia*, are as follow:

#### **BP Monitors**

The BP monitor of Dr. Trust is one of the most trusted brands used for BP measurement by individual. Major of our BP monitors are CE and FDA approved and appreciated for its accuracy and latest technology. Our BP monitors have many smart features such as AFIB detection, measurement during inflation, English and Hindi voice feedback, inbuilt large memory to store the reading of blood pressure measurement, heartbeat monitoring, cuff OK and arm movement indicators and bluetooth connectivity. Set below are certain BP monitors sold by our Company:

- Dr. Trust BP Smart with MDI;
- Dr. Trust BP A-One Max Connect;
- Dr. Trust BP AFIB Talk; and
- Dr. Trust BP Comfort Pro.

#### **Nebulizers**

Our nebulizers of Dr. Trust helps in converting the drug into an aerosol mist and facilitate adequate inhalation to reach drug deep into lungs with maximum absorption. It also ensures minimum wastage of a medication and very effective to treat cystic fibrosis, bronchial asthma, asthma and many other respiratory conditions. Our nebulizers have many features such as three layer filtration, flow adjusters, adjustable atomizer, ergonomic design and portable. Set below are certain nebulizers sold by our Company:

- Dr. Trust Compressor Nebulizer;
- Dr. Trust 5L Oxygen Concentrator 1101;
- Dr. Trust Portable Ultrasonic Mesh Nebulizer;
- Dr. Trust Bestest Compressor Nebulizer; and
- Dr. Trust Junior Compressor Nebulizer.



## **Pulse Oximeters**

The Dr. Trust Pulse Oximeter easily and accurately detects oxygen level in blood. It comes with a number of inbuilt features like audio-visual indications, instant results on a large display and is easy to use for individual users at their home and professional users. Set for below are certain Dr. Trust Pulse Oximeter sold by our Company:

- Dr. Trust Professional Series Pulse Oximeter;
- Dr. Trust Signature Series Pulse Oximeter; and
- Dr. Trust USA Fingertip Pulse Oximeter.

## **Thermometers**

Dr. Trust markets variety of accurate thermometer and infrared temperature guns with advance features. We provide temporal artery, forehead, infrared and non-contact thermometers for children and adults. Set below are the various Dr. Trust Thermometer sold by our Company:

- Dr. Trust Non-Contact Infrared Thermometer;
- Dr. Trust Non-Contact Infrared Forehead Thermometer;
- Dr. Trust Icheck Infrared Thermometer;
- Dr. Trust Homedoc; and
- Dr. Trust Instascan.

## **Glucometers**

Blood-sugar monitoring at-home is very important. We understand that this need and bring everything that is needed to perform a blood sugar level testing at home. Our Glucose meters, are easy to use and are designed for lesser pain to the user. The Glucometers, lancets and other items, are easy to use and designed for accurate checking of blood-sugar level.

## **Portable ECG Machine**

This device can be used for directly measuring the electrical activity of the heart as waveforms. The product has FDA clearance for its performance. Its electrodes provide a glimpse of all electrical activities of the heart and perform as accurate as the 12-lead ECG during ECG data recording and result displaying.

The Dr. Trust Smart ECG Pen comes with advanced sensor that does not require patches, wires, and other attachments to fulfill the evolving ECG monitoring needs. Its automated operation process leads the user through ECGs monitoring, data storage and analysis with ease.

## ***Orthopedic Products***

We provide an extensive line of supporting devices designed to aid individuals in every stage of rehabilitation and wellbeing. We provide orthopedic products mainly under 2 categories - Rehabilitation Products and Physiotherapy Products. All these products are thoughtfully shortlisted to meets the needs of patients.

## **Rehabilitation and Support Cushion Products**

All our rehabilitation and support cushion products are user-friendly designed to promote independent living. We provide immobilizers- walkers, wheelchairs, and many other rehabilitation products. We also provide lumbar support, tailbone support and many other support cushion products, which helps in fast recovery from injuries or accidents etc. Set below are certain rehabilitation and support cushion products sold by our Company:

- Dr. Trust Wheelchair;
- Dr. Trust Walker;
- Dr. Trust Walker with wheels; and

- Dr. Trust Coccyx Pillow.

### **Physiotherapy Products**

In this category, we are engaged in the marketing of products such as foot massagers, neck massagers and body massagers. These massagers help in providing immediate relief after soothing sore muscles and joint pain. Set for below are certain physiotherapy products sold by our Company:

- Dr. Physio Full Body Massager;
- Dr. Physio Tens Massager;
- Dr. Physio Air Compression Massager; and
- Dr. Physio Foot and Calf Massager.

### ***Mother and Child Products***

In this category, we are engaged in the marketing of products such as breast pump, mother care and child care. We believe our products are sturdy and safe for mother and baby both with smart features for enhancing the parenthood experience. Set for below are certain mother and child products sold by our Company:

- Trumom Breast pumps
- Trumom sterilizers
- Trumom baby bottle warmers
- Trumom car seats
- Trumom carry cot

### ***Nutrition Supplements***

We also provide dietary products such as vitamins, minerals, health, and nutritional supplements to provide significant health benefits. In this category, we are engaged in the marketing of products such as dietary supplements (fish oil, probiotics, vitaminised multi-vitamins), proteins and mass gainers, immunity boosters, apple vinegar gummies and collagen peptides. Set for below are certain nutrition supplements sold by our Company:

- Dr. Trust Fish oil;
- Dr. Trust Probiotics;
- Dr. Trust Biotin; and
- Dr. Trust Multivitamins.

### ***Lifestyle Products***

#### **Weighing Scale and Smart Weighing Scales**

We believe that our weighing scales have ability to show error-free measurements instantly. The smart composition scales use Biometric Impedance Analysis (BIA) technology and allow easy sharing of data by connecting to phones through bluetooth technology.

- Dr. Trust Smart Body Fat and Body Composition Scale;
- Dr. Trust Platinum Rechargeable Scale;
- Dr. Trust Absolute Fitness Body Composition Scale;
- Dr. Trust Balance Scale; and
- Dr. Trust Elegance scale.

#### **Aroma Diffusers**

Aroma Diffusers provided by our Company helps in managing dry skin, sinus, asthma, and many other respiratory

issues. Under this category we provide premium quality humidifiers & steamers in different designs, colors, and sizes to our customers. They are portable and suitable for spaces including offices, bedrooms, drawing rooms small and large sizes rooms etc.

- Dr. Trust Luxury Cool Mist Dolphin Humidifier.
- Dr. Trust Nano Ionic Facial Steamer and Vaporizer; and
- Dr. Trust Home Spa Face Steam Vaporizer.

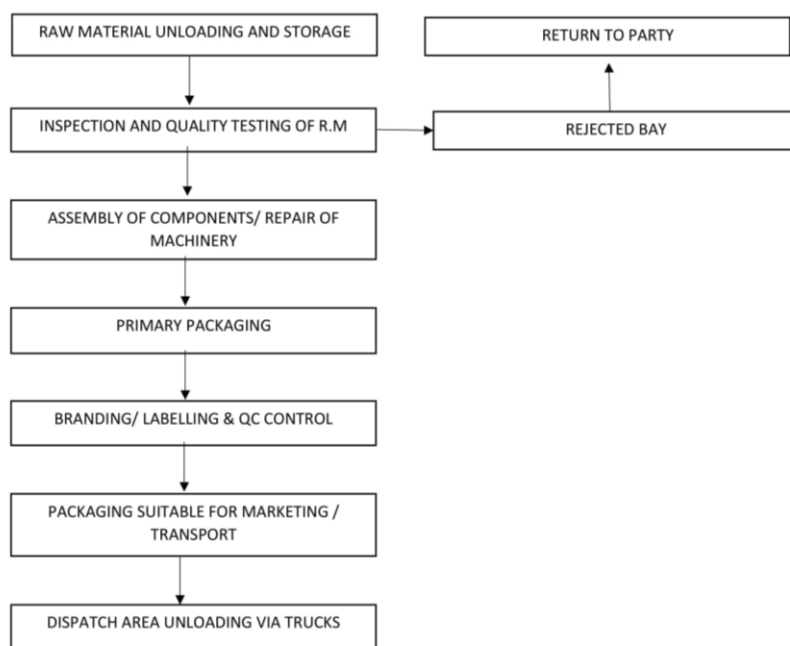
### **Fitness Tracker and more**

Fitness Tracker provided by our Company helps is tracking the activities and body composition easily of the user. It works with both Android and iOS phones by connecting through an easy to use app that lets the user know about the taken steps, burnt calories, distance walked and activity time percentage of goal achieved etc. It has a touchscreen that displays time, date and battery with the users' body data. The fitness tracker, which we provide, is waterproof in nature and the unit pops into a comfortable rubber wristband. Further, we also market fitness equipment for home workout under this category.

- Dr. Trust Fitness Tracker Smart band;
- Dr. Trust exercise mats;
- Dr. Trust AB wheel; and
- Dr. Trust foam Roller.

### **Our Production Facilities**

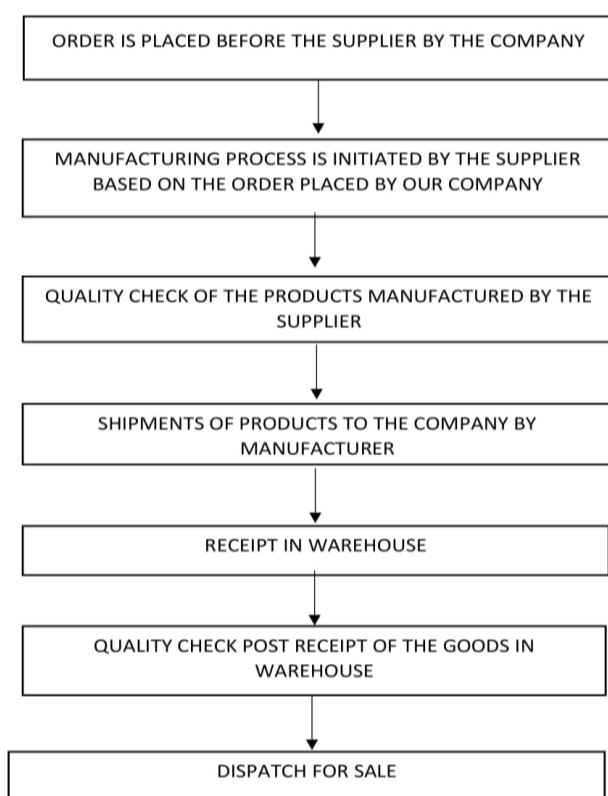
***In-house manufacturing:*** We have recently set up a manufacturing unit in Chandigarh pursuant to the registration and license to work a factory issued by Chief Inspector of Factories, Union Territory, Chandigarh under the Factories Act, 1948 on July 28, 2020. In our manufacturing unit we can do final assembly of our products pursuant to the purchase of equipment's brought in semi knock down condition from various sources, branding, labelling and packaging suitable for marketing and transport in India. We also repair the defective or damaged equipment which has been sold before in the market in our manufacturing facility. Our manufacturing team of over 4 full-time employees is responsible for managing contractor relationships, logistics, production oversight, quality control and new product development.



The details of installed capacity at our manufacturing unit is as follows:

| Particulars        | Location   | Installed capacity (units per day) | Installed capacity (units per annum) | Capacity utilisation (units per annum) |
|--------------------|------------|------------------------------------|--------------------------------------|----------------------------------------|
| Manufacturing Unit | Chandigarh | 200                                | 60,000                               | 20%                                    |
| <b>Total</b>       |            | <b>200</b>                         | <b>60,000</b>                        | 20%                                    |

**Outsourced Manufacturing:** We majorly outsource the manufacturing of our products to certain foreign vendors and as well as certain vendors in India. We exercise control and regular supervision over the manufacturing operations at the facilities of our manufacturing partners through our personnel who is stationed close to such facilities or through a third party arrangement who periodically visit these facilities for inspection enabling us to efficiently carry out production changes in designs or quality of products required. Further outsourcing the manufacturing of our products allows us to increase production capacity as required and without incurring additional capital expenditure, by utilizing additional capacity with existing plants or entering into agreements with new plants.



While we design our products internally, we contract with our manufacturers and vendors to manufacture our products. Typically, our manufacturers and vendors help to manufacture our products based only on the design and technical specifications provided by us. The technical specifications we provide include a detailed description of the components to ensure quality, overall technical compatibility and consistency with design. We choose manufacturers and vendors based on internal parameters such as assurance on quality, manufacturing capacity, ability to scale manufacturing with minimum lead time, technical capability to implement designs, testing capabilities, reputation and relationship.

To manage an appropriate level of inventory for each our products, we track our inventory on an everyday basis. We currently contract with suitable manufacturers and vendors which enable us to increase our sales volumes rapidly without incurring significant capital expenditure. To ensure timely delivery and availability of our products we provide advance or irrevocable letter of credit to our manufacturers and vendors while placing the order.

**Raw Materials:** The raw materials used in our products include mono carton, inner corrugated box, batteries, batteries cover and bottom case for blood pressure monitor. These materials are readily available from several manufactures located around the globe, including India.

## **Our Distribution Network**

### *Online Channels*

We are a digital first company where in we sell our products through online channels partners such as e-commerce players, distributors and retailer. Further, we also sell our products through our own website drtrust.in. Our agreements with online channel partners such as e-commerce players, distributors and retailers are typically non-exclusive in nature. We agree to share either a specified percentage of the margin on the maximum retail price or additional margin on the basis of the revenues generated by our products. In certain cases, we also agree to share any discount granted, on mutually agreed terms. Additionally, some of these agreements give rights to the online channel partners to liquidate the unsold inventory, post termination of agreement, by continuing to sell off the products until the inventory is sold.

Currently, 95% of revenues for our Company come through digital channels (e-Commerce). However, this poses an opportunity for our Company to expand into the offline channel. This would provide significant impetus to their growth, and build their brand value as well (*Source: Frost & Sullivan Report*).

## **Branding, Sales, Marketing and Advertising**

We have a defined set of guidelines which govern the branding, marketing and advertising initiatives of our products to ensure that these activities are in line with brand guidelines and identities. We utilize identifiable and standardized colours and typography across packaging material.

We employ an internal team of professionals that advertises and promotes our brand through visual merchandising, brand-awareness campaigns, social media and consumer relationship management. We have a dedicated marketing team comprising of 21 employees as on December 31, 2020. For Fiscal 2020 and Fiscal 2019, our advertising expenses on a consolidated basis were ₹31.31 million and ₹23.12 million, respectively, or, 3.15% and 3.74% of our consolidated revenue from operations, respectively.

*Brand-awareness campaigns:* We intend to continue to enhance the brand recall of our products through the use of targeted marketing initiatives such as digital and television advertisements and advertisement on e-commerce platforms, as well as marketing through traditional channels such as outdoor advertising. Our marketing and advertising initiatives are directed to increase brand awareness, acquire new customers, drive customer traffic across our retail channels and strengthen and reinforce our brand image.

*Social media:* In addition to traditional print media, digital and online public relations is becoming an area of increased focus and spending. Blogs, bloggers and social networking websites are becoming increasingly important to reach design and trend influencers, consumers and the press. Marketing campaigns are developed to have strong social media content, including video segments and engagement contests, in order to increase brand followers on social media. We encourage consumer engagement in social media and also use social media to both communicate and elevate the brand's reputation for superior quality.

## **Pricing Policy**

We believe that our ability to grow our business in accordance with our strategy will depend on our ability to introduce new products, respond to pricing strategies by competitors, redevelop our brand, execute agreements with channel partners and technology partners and develop intellectual property. Pricing is the most important metric for decision-making by end-users, followed by Brand reputation. Another crucial element is the availability of choices. Given that these are lower ticket items, and online channel provides wider choices, it is not surprising that online channels are being increasingly preferred, and recommendations from online reviews play a very important part in end-users developing their views (*Source: Frost & Sullivan Report*). Since our inception, we have emphasised the importance of fair trade practices by focusing on building consumer trust through our product quality, durability, accuracy,

functionality, innovative designs and pricing. Our product prices reflect applicable taxes as well as general market demands and price trends

### **Inventory management, Warehousing and Logistics**

We regard efficient inventory management as critical to the success of our business. Our inventory management processes include product allocation for all our sales channels and store planning based on an assessment of sales potential and requirements. We have strict inventory management and monitoring practices in place that allows us to account for each piece of inventory and to ensure efficiency. Further, to manage an appropriate level of inventory for each of our products, we also track our inventory on an everyday basis. We plan our inventory procurement by forecasting demand analysis based on our targeted sales and inventory turnover. We generally endeavour to maintain inventory levels in lines with customer demand. We also endeavour to ensure that product requirements and order fulfilment is carried out in a timely and efficient manner. Our inventory management processes are supported by our leasehold warehouses. We continuously look for opportunities to optimize our supply chain network as well as warehouse processes to optimize our efficiency and productivity. We rely on third party logistics providers, with whom we enter into agreements, to transport our products.

### **Quality Management**

Our Company is committed to providing high-quality products to our customers and endeavour to maintain a quality system, which provides products and services in a timely manner and at competitive prices to the satisfaction of customers by meeting their specified and implied needs. We are also committed to continually improve this quality system. Further, we exercise control and regular supervision over the manufacturing operations at the facilities of our manufacturing partners through our personnel who is stationed close to such facilities or through a third party arrangement who periodically visit these facilities for inspection enabling us to efficiently carry out production changes in designs or quality of products required.

### **After Sales Service**

If any of our customers face a technical issue with our product, they can contact our in house customer care through phone or email. Troubleshooting is done over the phone or email, through videos and educating the customer about the correct procedure to operate a product.

In some cases, a physical check may be required for repair or replacement during the warranty period. Our company has an ISO 9001:2015 certification, which is applicable to sales, services and warehousing of medical devices, consumer electronics, pharmaceutical and personal care products and in house QA team in Punjab, which checks the product for any physical defect. In case any defect is found in the product, which is covered under the warranty terms, the product is repaired/ replaced by our service team and sent back to the customer. In case of replacement, our Company is covered by back to back warranty from our vendors. It furnishes the defective pieces data to the vendor and the vendor sends the replacement pieces along with the next shipment to our Company.

### **Competition**

We compete with local and global companies operating in India. The market is extremely fragmented with over fifty players, most of them Indian, with mostly generic products, showcasing no significant competitive advantage in terms of innovation or differentiation. There are numerous other players in the market, like Omron, Philips, Johnson and Johnson, Roche, Bayer competing on technological advances, features and competitive pricing (*Source: Frost & Sullivan Report*). In the future, we may also face competition from new entrants in the segment. Some of these players may already have robust distribution networks, which could eat into our market share. Some of our competitors are larger than we are, have greater financial resources than we do, and may be able to deliver products on more attractive terms or to invest larger amounts of capital into their businesses, including expenditure for better and more efficient production capabilities. See “*Risk Factors - We face intense competition and may not be able to keep pace with the rapid technological changes in the health product devices industry.*” on page 33.

### **Information Technology**

We believe that Information Technology is a powerful tool in operating our business and have accordingly invested in creating a strong IT system, network and processes. We have in place various off shelf IT system relating in particular to communication. Recently, we have switched over to the SAP ERP platform for the smooth functioning of our business. Modules like sales and distribution, production planning, quality management, finance and controlling, materials management are part of the SAP ERP system.

## Human Resources

We believe our employees are one of our most important assets and critical to maintaining our competitive position in our key geographical markets and in our industry. Our ability to maintain the growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. As on December 31, 2020, we had 74 full time employees.

The detailed break-up of our employees is summarised as under:

| Departments               | As on December 31, 2020 |
|---------------------------|-------------------------|
| Management                | 5                       |
| Sales and Marketing       | 21                      |
| Legal and Human Resources | 4                       |
| Finance and Accounts      | 8                       |
| Warehouse/ QA/ Service    | 25                      |
| Manufacturing             | 4                       |
| Purchase                  | 7                       |

## Intellectual Property

We own a number of trademarks, designs and copyrights in India relating to our products under several classes. The registered trademarks are valid for a period of 10 years from the date of application or renewal. As of the date of this Red Herring Prospectus, our Company has received 66 trademark, 6 copyrights and 92 designs registrations and applied for 12 trademark registrations. For further information, see “*Government and other Approvals – Approvals in relation to intellectual property of our Company*” on page 250. For further information in relation to the risk relating to our intellectual property, please refer to the chapter titled “*Risk Factors*” on page 25.

## Insurance

Our operations are subject to hazards inherent in storing and transporting our products such as work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions, including hazards that may cause loss of life and severe damage to and the destruction of property and inventory. Our principal types of insurance coverage include standard fire and special perils, burglary, marine insurance policy, group medical insurance and directors and officers liability insurance. We typically maintain fire floater, burglary and marine cargo policies for our fixed assets and stock of warehouses, to cover risks such as fire and other ancillary perils. Also, see “*Risk Factors – Our insurance coverage may not be adequate to cover all losses or liabilities that we may incur in our business and operations.*” on page 38.

## Our Immovable Properties

The registered office of our Company is situated at 128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon East, Mumbai - 400063, Maharashtra, India and the corporate office is situated at SCO 6-7-8, 1<sup>st</sup> Floor, SCO 6 – 7 – 8, 1st Floor, Sector 9 D, Chandigarh, India. The registered office of our Company has been take on leave and license basis. Further, we have entered into lease and sub-lease arrangements for our warehouses and manufacturing unit.

## KEY REGULATIONS AND POLICIES

*The following is an overview of certain sector-specific relevant laws and regulations which are applicable to the operations of our Company and our Subsidiaries. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional legal advice.*

### **A. Business related laws**

#### ***Drugs and Cosmetics Act, 1940 (“DCA”) and Drugs and Cosmetics Rules, 1945 (“DCR”)***

The DCA regulates the import, manufacture, distribution and sale of drugs and cosmetics and prohibits the manufacture and sale of certain drugs and cosmetics which are, *inter alia*, misbranded, adulterated, spurious or harmful. The primary objective of the act is to ensure that the drugs and cosmetics sold in India are safe, effective and conform to state quality standards. The Central Government has also passed the DCR in exercise of powers conferred under the DCA. The DCR 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.

#### ***Food Safety and Standards Act, 2006 (“Food Safety Act”)***

The Food Safety Act regulates the manufacture, storage, distribution, sale and import of food products including wines, liquor and alcoholic beverages. Every person involved in the business of carrying out any of the activities related to *inter alia* manufacture, processing, packaging, storage, transportation, or distribution of food is required to procure a license in accordance with the Food Safety Act read with Food safety and Standards (Licensing and Registration of Food Businesses), Regulations 2011. Pursuant to the Food Safety Act, every manufacturer is required to procure a license by or before August 04, 2012. Pursuant to the Food Safety Act, any manufacturer who is required to obtain a license, manufactures any article of food without a license shall be punishable with imprisonment for a term which may extend to 6 months and also a fine which may extend to ₹ 5,00,000.

#### ***The Factories Act, 1948 (“Factories Act”)***

The term ‘factory’, as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act requires the ‘occupier’ of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the “occupier” of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers’ health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with either imprisonment or fine or both.

#### ***The Legal Metrology Act, 2009 (“Legal Metrology Act”)***

The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The key features of the Legal Metrology Act are (a) appointment of Government approved test centres for verification of weights and measures; (b) allowing the companies to nominate a person who will be held responsible for breach of provisions of the Legal Metrology Act. Any non-compliance or violation of the provisions of the Legal Metrology Act may result in, among others, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.



### ***The Consumer Protection Act, 2019***

The Ministry of Consumer Affairs, Food and Public Distribution (“Ministry of Consumer Affairs”) notified certain sections of the Consumer Protection Act, 2019 (“COPRA”) by way of the notification dated July 15, 2020 (with effect from July 20, 2020), including sections regulating the formation and functioning of the Consumer Protection Council at the national, state and district levels, the formation and functioning of Consumer Dispute Redressal Commissions at the national, state and district levels, mediation of consumer disputes, product liability actions and punishment for manufacturing for sale or storing, selling or distributing or importing products containing adulterants and spurious goods.

The COPRA provides a mechanism for the consumer to file a complaint against a product manufacturer, seller or service provider in cases of unfair contract or trade practices, restrictive trade practices, defected goods, goods which are hazardous or likely to be hazardous to life being sold in contravention to safety standards, deficiency in services and price charged being unlawful. It also places product liability on a manufacturer or product service provider or product seller, to compensate for any harm caused by defective product or deficiency in services. It provides for a three-tier consumer grievance redressal mechanism at the district, state and national levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The COPRA will, *inter alia*, also introduce a Central Consumer Protection Authority to regulate matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements, which are prejudicial to the interests of public and consumers and promote, protect and enforce the rights of consumers.

The COPRA has also brought e-commerce entities and their customers under its purview including providers of technologies or processes for enabling product sellers to engage in advertising or selling goods or services to a consumer, online market places and online auction sites. The Ministry of Consumer Affairs issued the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) under the COPRA on July 23, 2020 which govern the online sale of goods, services, digital products by entities which own, operate or manage digital or electronic facility or platform for electronic commerce (“Ecommerce Entities”), all models of e-commerce (including marketplace or inventory based), and all ecommerce sellers. The E-Commerce rules lay down the duties and liabilities of E-Commerce Entities and ecommerce sellers.

### ***Environmental Regulations***

The major statutes in India which seek to regulate and protect the environment against pollution related activities in India include the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment Protection Act, 1986. The basic purpose of these statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (the “PCBs”), which are vested with diverse powers to deal with water and air pollution, have been set up in each state. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation if the authorities are aware of or suspect pollution that is not in accordance with such regulations. All industries and factories are required to obtain consent orders from the PCBs, which are indicative of the fact that the factory or industry in question is functioning in compliance with the pollution control norms. These consent orders are required to be renewed annually.

### ***Shops and establishments Legislations***

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including 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.

### ***The Information Technology Act, 2000 (“Information Technology Act”)***

The Information Technology Act has been enacted to provide legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as "Electronic Commerce", which involve the use of alternatives to paper-based methods of communication and storage of information etc. Additionally, the said Act also provides for civil and criminal liabilities including fines and imprisonment for various computer related offences. These include offences relating to unauthorized access to computer systems, it also recognizes contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability. It also provides civil and criminal liabilities. The Information Technology Act also provides punishment for offences committed outside India.

The Department of Information and technology, under the Ministry of Communications and information Technology, Government of India, has notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive personal Data or Information) Rules 2011, which gives directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The said rules also require the body corporate to provide a privacy policy for handling and dealing on personal information, including sensitive personal data.

### ***B. Intellectual property laws***

Intellectual property rights in India enjoy protection under both statutory and under common law. The key legislations governing intellectual property in India are the Copyright Act, 1957, Trade Marks Act, 1999 and Patents Act, 1970. India is also a party to several international agreements for the protection of intellectual property rights.

#### ***The Trademarks Act, 1999 ("TM Act")***

The TM Act, provides for the application and registration of trademarks in India. The purpose of the TM Act is to grant exclusive rights to marks such as a brand, label and heading and to obtain relief in case of infringement for commercial purposes as a trade description. The registration of a trademark is valid for a period of 10 years and can be renewed in accordance with the specified procedure.

Application for trademark registry has to be made to Controller-General of patents, designs and TM Act who is the Registrar of Trademarks for the purposes of the TM Act. The TM Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.

#### ***The Copyright Act, 1957 ("Copyright Act")***

The Copyright Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act applies to nationals of all member states of the World Trade Organization.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years. The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner.

#### ***Designs Act, 2000 ("DA") and the Designs Rules, 2001 ("DR")***

The DA regulates and protects the originality of an article's design and prohibits the piracy of registered designs. The primary objective of the Act is to protect new or original designs from getting copied, and ensure that the creator, originator or artisan of the design is not deprived of their rightful gains for the creation of their design. The central government also drafted the DR under the authority of the DA for the purposes of specifying certain prescriptions regarding the practical aspects related to designs such as payment of fees (available in the First Schedule of the Rules,

amended through the DR, 2014), register for designs, classification of goods, address for service, restoration of designs, etc.

### **C. Laws relating to Employment and Labour**

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 the following:

- The Child Labour (Prohibition and Regulation) Act, 1986
- The Contract Labour (Regulation and Abolition) Act, 1970
- The Employees' Compensation Act, 1923\*\*
- The Employees' State Insurance Act, 1948\*\*
- The Employee's Provident Fund and Miscellaneous Provisions Act, 1952\*\*
- The Equal Remuneration Act, 1976\*
- The Maternity Benefit Act, 1961\*\*
- The Minimum Wages Act, 1948\*
- The Payment of Gratuity Act, 1972\*\*
- The Payment of Bonus Act, 1965\*
- The Payment of Wages Act, 1936\*
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013

*\*The Code on Wages, 2019 (enacted by the parliament of India and assented to by the President of India on August 8, 2019) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Wages, 2019. Once effective, it will subsume the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936.*

*\*\*The Code on Social Security, 2020 (enacted by the Parliament of India and assented to by the President of India on September 28, 2020) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Social Security, 2020. Once effective, it will subsume, inter alia, the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972.*

### **D. Laws relating to Taxation**

The tax related laws that are applicable to our Company include the Central Goods and Services Tax Act, 2017, the Interstate Goods and Services Tax Act, 2017, various state goods and services tax legislations, the Income Tax Act, the Income Tax Rules, local body taxes in respective states and various applicable service tax notifications and circulars

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as ‘Nureca Private Limited’, as a private limited company, under the Companies Act, 2013 on November 2, 2016 and a certificate of incorporation was issued by Registrar of Companies, Central Registration Centre, at Delhi. The registered office of our Company was changed from Delhi to Mumbai, Maharashtra, pursuant to certificate of registration of regional director order dated January 8, 2019 for change of state issued by the RoC with effect from February 8, 2019. Upon to conversion into a public limited company pursuant to a special resolution passed in the extra ordinary general meeting of the shareholders of our Company held on June 19, 2020, the name of our Company was changed to our present name ‘Nureca Limited’ and a fresh certificate of incorporation was issued by the RoC on July 8, 2020.

Our Company became a wholly owned Subsidiary of Nectar Biopharma Private Limited on August 16, 2018. Pursuant to the Scheme of Arrangement approved by the NCLT, Special Bench, Mumbai *vide* its order dated April 29, 2020, the Specified Undertaking (as defined in the Scheme of Arrangement) was demerged from Nectar Biopharma Private Limited and vested into our Company. Consequently, 1 equity share of face value ₹10 each of our Company was issued to each shareholders of Nectar Biopharma Private Limited for every 1 equity shares of face value ₹10 each, held by them in Nectar Biopharma Private Limited as on the record date, i.e. June 9, 2020. For further details on the Scheme of Arrangement, see “-Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets in the last ten years” in this section.

### Changes in the Registered Office

The details of change in the registered office of our Company since incorporation are given below:

| Effective Date    | Details of change in the address of the Registered Office                                                                                                                                                                                                                                                                            |
|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| December 14, 2016 | The registered office of our Company was shifted from F-66, 6 <sup>th</sup> Floor, Himalaya House, 23 KG Marg, C.P., New Delhi – 110 001, India to S-401, 2 <sup>nd</sup> Floor, Greater Kailash Part II, New Delhi – 110 048, India.                                                                                                |
| January 19, 2019  | The registered office of our Company was shifted from S-401, 2 <sup>nd</sup> Floor, Greater Kailash Part II, New Delhi – 110 048, India to 103/104, Orbit Plaza, New Prabhadevi Marg, Mumbai – 400 025, Maharashtra, India.                                                                                                          |
| May 25, 2020      | The registered office of our Company was shifted from 103/104, Orbit Plaza, New Prabhadevi Marg, Mumbai – 400 025, Maharashtra, India to B2-166, Time Square, 7 <sup>th</sup> and 8 <sup>th</sup> Floor, CTS 349 and 349-1, Western Express Highway, Near Sai Service, Andheri (East), Mumbai – 400 069, Maharashtra, India.         |
| October 15, 2020  | The registered office of our Company was shifted from B2-166, Time Square, 7 <sup>th</sup> and 8 <sup>th</sup> Floor, CTS 349 and 349-1, Western Express Highway, Near Sai Service, Andheri (East), Mumbai – 400 069, Maharashtra, India to 128 Gala Number Udyog Bhavan,, 1st Floor Sonawala Lane, Goregaon (East), Mumbai- 400063. |

The changes in the registered office were made due to operational convenience.

### Our Main Object

The main objects contained in the Memorandum of Association of our Company are as follows:

1. To manufacture, formulate, process, develop, refine, import, export, wholesale and/ or retail trade all kinds of pharmaceuticals, drugs, medical or diagnostic equipments.
2. To carry on business of Import, Export, processing, packing, re-packing, trading in, purchase, sell and to act as mercantile agents, clearing and forwarding agents, brokers, consignors, consignees, conversion agents, distributors, act as stockiest or processors and or dealers in all or any types of consumer goods, industrial goods, agricultural goods, plant & machinery, engineering products, electrical and electronic products, IT Products, Computer Peripherals, textile products, pharmaceuticals, Audio, Video and other Entertainment products, Building materials, Garments, Textiles, Handicrafts, Electronic items, components and accessories, Machines

*and Mechanical Items, components and accessories, and any other Products, Items or Things Indigenous to or obtainable within India or any other Country of the World.*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

#### **Amendments to our Memorandum of Association**

Set out below are the amendments to the Memorandum of Association since incorporation of our Company

| <b>Date of shareholders resolution</b> | <b>Nature of amendment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| March 9, 2017                          | Clause IIIA of the Memorandum of Association was amended by inserting following new object which reads as follows:<br><br>“ <i>Clause III A.2</i><br><br><i>To carry on business of Import, Export, processing, packing, re-packing, trading in, purchase, sell and to act as mercantile agents, clearing and forwarding agents, brokers, consignors, consignees, conversion agents, distributors, act as stockiest or processors and or dealers in all or any types of consumer goods, industrial goods, agricultural goods, plant &amp; machinery, engineering products, electrical and electronic products, IT Products, Computer Peripherals, textile products, pharmaceuticals, Audio, Video and other Entertainment products, Building materials, Garments, Textiles, Handicrafts, Electronic items, components and accessories, Machines and Mechanical Items, components and accessories, and any other Products, Items or Things Indigenous to or obtainable within India or any other Country of the World.</i> ” |
| November 30, 2018                      | Clause II of the Memorandum of Association was amended to reflect the change in registered office of the Company from NCT of Delhi to State of Maharashtra.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| June 19, 2020                          | Clause I of the Memorandum of Association was amended to reflect the present name of our Company, “ <i>Nureca Limited</i> ”, pursuant to the conversion of our Company from a private limited company to a public limited company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| May 28, 2020                           | Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital from ₹1,00,000 comprising of 10,000 Equity Shares of ₹10 each to ₹1,00,00,000 comprising of 10,00,000 Equity Shares of ₹10 each.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| July 30, 2020                          | Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital from ₹1,00,00,000 comprising of 10,00,000 Equity Shares of ₹10 each to ₹11,00,00,000 comprising of 1,10,00,000 Equity Shares of ₹10 each.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

#### **Major Events and Milestones**

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

| <b>Calendar Year</b> | <b>Events / Milestones</b>                                                                                                                                                                   |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2016                 | Online launch of Dr. Trust Brand.                                                                                                                                                            |
| 2017                 | Launched Dr. Physio brand in electric massager categories and Trumom brand in mother and child care categories.<br>Started three flex centres in Punjab, Karnataka and Uttar Pradesh.        |
| 2018                 | Our Company became the wholly owned subsidiary of Nectar Biopharma Private Limited.<br>Added three flex centres in Chandigarh, Telangana and Maharashtra.<br>Secured warehouse drug license. |
| 2020                 | Transfer and vesting of Specified Undertaking (as defined under the Scheme) from Nectar Biopharma Private Limited to our Company pursuant to the Scheme of Arrangement.                      |

#### **Key awards, recognitions and accreditations received by our Company**

The table below sets forth some of the awards and accreditations received by our Company:

| <b>Calendar Year</b> | <b>Awards and Accreditations</b>                                                                                                                                                                                                                                      |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2020                 | Our Company received ISO 9001:2015 Certificate of Registration from Intertek Certification Limited for Management System, which is applicable to sales, services and warehousing of medical devices, consumer electronics, pharmaceutical and personal care products. |
| 2020                 | Appreciation Letter from Pharmaceuticals Export Promoter Council of India stating our Company as a very dynamic and evolving medical devices company and has created a credible and leading brand “Dr. Trust” which is now a household name in India.                 |

#### **Other details regarding our Company**

##### **Time or cost overrun**

Our Company has not experienced any instances of time / cost overrun in our business operations.

##### **Defaults or rescheduling / restructuring of borrowings with financial institutions / banks, conversion of loans into equity by the Company**

There have been no defaults or rescheduling of borrowings with financial institutions, banks, conversion of loans into equity in relation to our Company.

##### **Capacity / facility creation, location of plants**

Our manufacturing unit is located in Chandigarh. For details in relation to the location of our manufacturing unit and capacity creation, see “*Our Business – Our Production Facilities – In-house Manufacturing*” on page 103.

##### **Launch of key products or services, entry in new geographies or exit from existing markets**

Our Company has not launched any new key products or services or entered in new geographies or exited from existing markets.

##### **Injunctions or restraining order against our Company**

There are no injunctions or restraining orders against our Company.

##### **Revaluation of assets**

Our Company has not undertaken any revaluation of its assets since incorporation.

##### **Strategic and financial partnerships**

Our Company currently does not have any strategic or financial partners.

##### **Details of shareholders’ agreements**

As on the date of this Red Herring Prospectus, there are no subsisting shareholders’ agreements among our Shareholders *vis-à-vis* our Company, which our Company is aware of.

##### **Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets in the last ten years**

Except as stated below, our Company has not made any material acquisitions or divestments of any business or undertakings, and has not undertaken any mergers, amalgamations or revaluation of assets in last ten years.

## 1. Scheme of Arrangement under Section 230 to 232 of the Companies Act

Pursuant to the Scheme of Arrangement (“**Scheme**”) amongst Nectar Biopharma Private Limited (“**Demerged Company**”), our Company (“**Resulting Company**”) and their respective shareholders and creditors, the Specified Undertaking (as defined in the Scheme) was demerged into our Company from Demerged Company. Prior to the Scheme, the Demerged Company along with its nominee held 100% of the paid up equity share capital of the Resulting Company. The certain rationale of the Scheme was, *inter alia*, as follows:

- a. Segregating the business would enable independent business opportunities, attracting different sets of investors, strategic partners, lenders and other stakeholders and would bring about synergy of operations and greater internal control on business processes/ease in decision making.
- b. The Demerged Company’s Specified Undertaking shall be integrated and consolidated with business carried out by the Resulting Company resulting in strengthening of the business, synergistic benefits, economics of scale, faster decision making, integration of supply chain, reduction in operating costs, strengthening the focus, enhancing the ability to deal with regulatory challenges, long term growth, increasing profitability, higher market share, better customer service, increased ability to face the competitive regulatory environment, risk and policies and consolidating the financial, management and operational resource which shall boost the business prospects of the Demerged Company and Resulting Company and provide for value unlocking/ wealth creation of the investors in the long-run.
- c. The Demerged Company is building and strengthening the product portfolio of its Remaining Business. However, to grow the Remaining Business and further explore the opportunities available, the Demerged Company needs to give focused management time and operation attention to its Remaining Undertaking since it has significantly different risk reward portfolio.
- d. The demerger will give shareholders of the Demerged Company the ability to continue to remain invested in both or either of the companies, giving them greater flexibility in managing and/ or dealing with their investments.

The Scheme, *inter alia*, provided the following:

- a. Demerger, transfer and vesting of the Specified Undertaking from the Demerged Company to the Resulting Company on a going concern basis, and consequently issue of shares by the Resulting Company in the manner set out in the Scheme and other applicable provisions of applicable law.
- b. Increase in the authorized share capital of the Resulting Company in the manner set out in the Scheme and in accordance with Section 13, 61 and 230 to 232 and other applicable provisions of the Companies Act.
- c. Reduction of the share capital of the Resulting Company in the manner set out the Scheme and in accordance with Section 66 and other applicable provisions of the Companies Act.

The Scheme of Arrangement became effective from May 23, 2020. Pursuant to the Scheme, our Company has issued and allotted 1,000,000 Equity Shares of face value of ₹10 each to the shareholders of Nectar Biopharma Private Limited in the ratio of 1 (One) Equity Share of ₹10 each of our Company for every 1 (One) Equity Share of ₹10 each held by the shareholders of the Nectar Biopharma Private Limited as on the record date.

### Other material agreements

#### *Agreement dated May 9, 2020 entered between Nectar Biopharma Private Limited and our Company.*

Our Company has entered into an agreement dated May 9, 2020 (“**Agreement**”) with Nectar Biopharma Private Limited (“**NBPL**”). Pursuant to the Scheme of Arrangement approved by National Company Law Tribunal, Mumbai *vide* its order dated April 29, 2020, the Specified Undertaking (as defined in the Scheme) have been transferred to our Company on a going concern basis. In order to able to operate the Specified Undertaking, our Company is required to

apply for various licenses and approvals from different government authorities which shall take time. Therefore in order to ensure that the Specified Undertaking is conducted seamlessly till the time our Company obtains all required approvals, licenses, permits etc., NBPL shall under this Agreement provide necessary transitional support required by our Company for operating the Specified Undertaking. Accordingly, our Company has entered into this Agreement with NBPL for obtaining its necessary support during the transition period.

For further details of the Scheme of Arrangement, see “- *Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets in the last ten years - Scheme of Arrangement under Section 230 to 232 of the Companies Act*” under this section.

## **Holding Company**

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

## **Our Subsidiaries**

As on the date of this Red Herring Prospectus, our Company has 3 (Three) subsidiaries. The details of the same are as follows:

### **1. Nureca, INC.**

#### *Corporate Information*

Nureca, INC. was incorporated on October 26, 2016 under the Business Corporation Laws with the State of New York. Its registered office is situated at Nureca, Inc, 96 Jillian Blvd, Parsippany, NJ - 07054.

#### *Nature of Business*

Nureca, INC. is primarily engaged in the business of health care products.

#### *Capital Structure*

The authorized share capital of Nureca, INC. is \$100,000 divided into 1,000,000 shares of \$0.10 each. The issued, subscribed and paid – up share capital of Nureca, INC. is \$7,100 divided into 71,000 shares of \$0.10 each.

#### *Shareholding Pattern*

The following table sets forth details of the shareholding of Nureca, INC.:

| <b>Sr. No.</b> | <b>Name of the shareholder</b> | <b>Number of shares of face value \$0.10 each</b> | <b>Percentage of total equity holding (%)</b> |
|----------------|--------------------------------|---------------------------------------------------|-----------------------------------------------|
| 1.             | Nureca Limited*                | 71,000                                            | 100.00                                        |

*\*Nureca Limited became shareholder pursuant to the Scheme of Arrangement.*

### **2. Nureca Technologies Private Limited (“NTPL”)**

#### *Corporate Information*

NTPL was incorporate on July 13, 2020, as ‘*Nureca Technologies Private Limited*’ as a private company limited by shares under the Companies Act, 2013, pursuant to certificate of incorporation issued by Registrar of Companies, Central Registration Centre at Delhi, India. The CIN of NTPL is U33110PB2020PTC051368. The registered office of NTPL is located at House No. 200, Green City Village, Dhakoli, Zirakpur, Mohali– 140 201, Punjab, India.

#### *Nature of Business*



NTPL is primarily engaged in the business of *inter alia*, manufacturing, formulating, processing, developing, refining, importing, exporting, trading or wholesaling and/ or retail trading of all kinds of pharmaceuticals, drugs, medical or diagnostic or family or lifestyles equipment/ systems/ technologies. They are also engaged in the business of manufacturing, Import, Export, processing, packing, repacking, trading in, purchase, sell and/ or to act as mercantile agents, clearing and forwarding agents, brokers, consignors, consignees, conversion agents, distributors, act as stockiest or processors and or dealers or service provider in all or any types of medical/ health related consumer goods, pharmaceuticals, Chemicals, Health Electronic items/ components /accessories.

#### *Capital Structure*

The authorized share capital of NTPL is ₹ 100,000 divided into 10,000 equity shares of ₹10 each. The issued, subscribed and paid – up share capital of NTPL is ₹100,000 divided into 10,000 equity shares of ₹10 each.

#### *Shareholding Pattern*

The following table sets forth details of the shareholding of NTPL:

| Sr. No. | Name of the shareholder | Number of equity shares of face value ₹10 each | Percentage of total equity holding (%) |
|---------|-------------------------|------------------------------------------------|----------------------------------------|
| 1.      | Nureca Limited          | 9,999                                          | 99.99                                  |
| 2.      | Rajinder Sharma*        | 1                                              | 0.01                                   |
|         | <b>Total</b>            | <b>10,000</b>                                  | <b>100.00</b>                          |

\*As a nominee of Nureca Limited

### **3. Nureca Healthcare Private Limited (“NHPL”)**

#### *Corporate Information*

NHPL was incorporated on August 11, 2020, as ‘Nureca Healthcare Private Limited’ as a private company limited by shares under the Companies Act, pursuant to certificate of incorporation issued by Registrar of Companies, Central Registration Centre at Delhi, India. The CIN of NHPL is U33119PB2020PTC051608. The registered office of NHPL is located at House No. 200, Green City, Village Dhakoli, Zirakpur, Mohali– 140 201, Punjab, India.

#### *Nature of Business*

NHPL is primarily engaged in the business of *inter alia*, manufacturing, formulating, processing, developing, refining, importing, exporting, trading or wholesaling and/ or retail trading of all kinds of pharmaceuticals, drugs, medical or diagnostic or family or lifestyles equipment/ systems/ technologies. They are also engaged in business of manufacturing, Import, Export, processing, packing, repacking, trading in, purchase, sell and/ or to act as mercantile agents, clearing and forwarding agents, brokers, consignors, consignees, conversion agents, distributors, act as stockiest or processors and or dealers or service provider in all or any types of medical/ health related consumer goods, pharmaceuticals, Chemicals, Health Electronic items/ components /accessories.

#### *Capital Structure*

The authorized share capital of NHPL is ₹100,000 divided into 10,000 equity shares of ₹10 each. The issued, subscribed and paid – up share capital of NHPL is ₹100,000 divided into 10,000 equity shares of ₹10 each.

#### *Shareholding Pattern*

The following table sets forth details of the shareholding of NHPL:

| Sr. No. | Name of the shareholder | Number of equity shares of face value ₹10 each | Percentage of total equity holding (%) |
|---------|-------------------------|------------------------------------------------|----------------------------------------|
| 1.      | Nureca Limited          | 9,999                                          | 99.99                                  |

| Sr. No. | Name of the shareholder | Number of equity shares of face value ₹10 each | Percentage of total equity holding (%) |
|---------|-------------------------|------------------------------------------------|----------------------------------------|
| 2.      | Rajinder Sharma*        | 1                                              | 0.01                                   |
|         | <b>Total</b>            | <b>10,000</b>                                  | <b>100.00</b>                          |

*\*As a nominee of Nureca Limited*

#### **Amount of accumulated profits or losses of our Subsidiaries.**

As on the date of this Red Herring Prospectus, there are no accumulated profits or losses of any of our Subsidiaries, not accounted for, by our Company.

#### **Our Joint Venture**

As on the date of this Red Herring Prospectus, our Company does not have a joint venture company.

#### **Business Interest**

Except in the ordinary course of business and as disclosed in “*Our Business*” and “*Financial Information*” beginning on pages 103 and 155, our Subsidiaries do not have interest in our Company.

#### **Common Pursuits**

There are common pursuits between our Company and our Subsidiaries. However, there is no conflict of interest amongst our Subsidiaries and our Company. If applicable, our Company will adopt necessary procedures and practices as permitted by law to address any conflict situations as and when they arise.

#### **Other Confirmations**

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

Our Subsidiaries are not listed on any stock exchange in India or abroad. Further, our Subsidiaries have not been refused listing of any securities at any time, by any of the recognised stock exchanges in India or abroad.

Our Subsidiaries have not made any public or rights issue (including any rights issue to public) in the three years preceding the date of Red Herring Prospectus.

## OUR MANAGEMENT

### Board of Directors

In terms of the Companies Act, 2013 and Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As of the date of this Red Herring Prospectus, our Company has 6 Directors on its Board, which comprises of 1 executive director and 2 non-executive directors and 3 Independent Directors.

The following table sets forth details regarding the Board as on the date of this Red Herring Prospectus:

| Name, Designation, Address, Occupation, DIN, Date of Birth and Term                                                                                                                                                                                                                                                                                                              | Age (in years) | Other Directorship                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Saurabh Goyal</b><br><i>Designation:</i> Chairman and Managing Director<br><i>Address:</i> HNO 309, Sector 9-D, Chandigarh-160009, India<br><i>Occupation:</i> Business<br><i>DIN:</i> 00136037<br><i>Date of Birth:</i> January 2, 1986<br><i>Current Term:</i> Three (3) years with effect from September 3, 2019<br><i>Period of directorship:</i> Since February 11, 2017 | 35             | 1. Nectar Biopharma Private Limited;<br>2. Nureca Technologies Private Limited;<br>3. Nureca Healthcare Private Limited; and<br>4. Trumom Private Limited |
| <b>Smita Goyal</b><br><i>Designation:</i> Non-Executive Director<br><i>Address:</i> HNO 309, Sector 9-D, Chandigarh – 160009, India.<br><i>Occupation:</i> Service<br><i>DIN:</i> 08929179<br><i>Date of Birth:</i> December 22, 1984<br><i>Current Term:</i> Liable to retire by rotation<br><i>Period of directorship:</i> Since October 21, 2020                              | 36             | NIL                                                                                                                                                       |
| <b>Rajinder Sharma</b><br><i>Designation:</i> Non-Executive Director<br><i>Address:</i> 200, Green City, TEH- Dera Bassi, Dhakoli, Derabassi, S.A.S Nagar, Mohali – 140 507 Punjab,                                                                                                                                                                                              | 56             | 1. Nureca Technologies Private Limited;<br>2. Nureca Healthcare Private Limited;<br>3. Trumom Private Limited; and<br>4. Nureca Biopharma Limited.        |

| Name, Designation, Address, Occupation, DIN, Date of Birth and Term                                                                                                                                                                                                                                                                                                                                                                                                       | Age (in years ) | Other Directorship                                                                                                                                                                                                                                                                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>India</p> <p><b>Occupation:</b> Service</p> <p><b>DIN:</b> 00317133</p> <p><b>Date of Birth:</b> December 12, 1964</p> <p><b>Current Term:</b> Liable to retire by rotation.</p> <p><b>Period of directorship:</b> Since November 30, 2018</p>                                                                                                                                                                                                                         |                 |                                                                                                                                                                                                                                                                                                 |
| <p><b>Vijay Kumar Sharma</b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> B 2203, Lakshyachandi Heights, Krishna Vatika Marg, Goregaon (East), Mumbai – 400 063, Maharashtra, India.</p> <p><b>Occupation:</b> Retired</p> <p><b>DIN:</b> 02449088</p> <p><b>Date of Birth:</b> December 19, 1958</p> <p><b>Current Term:</b> Five (5) years with effect from October 21, 2020</p> <p><b>Period of directorship:</b> Since October 21, 2020</p> | 61              | <ol style="list-style-type: none"> <li>1. Tata Steel Limited;</li> <li>2. Mahindra and Mahindra Limited;</li> <li>3. Indian Commodity Exchange Limited;</li> <li>4. Ambuja Cement Foundation;</li> <li>5. Vidarbha Industries Power Limited; and</li> <li>6. Reliance Power Limited.</li> </ol> |
| <p><b>Charu Singh</b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> D-72, Arya Nagar Apartments, IP Extension, Patparganj, Laxmi Nagar, East Delhi-110092, India</p> <p><b>Occupation:</b> Service</p> <p><b>DIN:</b> 07822158</p> <p><b>Date of Birth:</b> October 13, 1985</p> <p><b>Current Term:</b> Five (5) years with effect from October 21, 2020</p> <p><b>Period of directorship:</b> Since October 21, 2020</p>                       | 35              | <ol style="list-style-type: none"> <li>1. Alphabetz Ventures Private Limited</li> </ol>                                                                                                                                                                                                         |

| Name, Designation, Address, Occupation, DIN, Date of Birth and Term | Age (in years) | Other Directorship |
|---------------------------------------------------------------------|----------------|--------------------|
|---------------------------------------------------------------------|----------------|--------------------|

**Ruchita Agarwal** 36 NIL

**Designation:** Independent Director

**Address:** D-1603, RNA Continental, Subhash Nagar, Chembur (East), Mumbai – 400 071, Maharashtra, India

**Occupation:** Service

**DIN:** 08941249

**Date of Birth:** April 6, 1984

**Current Term:** Five (5) years with effect from October 29, 2020

**Period of directorship:** Since October 29, 2020

#### Relationship of Directors with other Directors and / or Key Managerial Personnel

Except as disclosed below, none of our Directors are related to each other or any of the Key Managerial Personnel:

| Name                          | Relationship     |
|-------------------------------|------------------|
| Saurabh Goyal and Smita Goyal | Husband and wife |
| Saurabh Goyal and Aryan Goyal | Brothers         |
| Smita Goyal and Aryan Goyal   | Brother in law   |

#### Brief Profiles of our Directors

**Saurabh Goyal**, aged 35 years, is a Chairman and Managing Director of our Company. He holds a bachelor's degree in business administration from Amity University and a master's degree in science in International Management from King's College, London. He has worked with Nectar Life Sciences Limited and has over 10 years of work experience in marketing division. He has been a Director of our Company since February 11, 2017.

**Smita Goyal**, aged 36 years, is a Non-Executive Director of our Company. She holds a bachelor's degree in arts from University of Rajasthan and master's degree in business administration in customer relationship management & marketing from Amity University, Uttar Pradesh. She is working with Nectar Biopharma Private Limited as Vice President. She has been a Director of our Company since October 21, 2020.

**Rajinder Sharma**, aged 56 years, is a Non-Executive Director of our Company. He is an undergraduate. He has been a Director of our Company since November 30, 2018.

**Vijay Kumar Sharma**, aged 61 years, is an Independent Director of our Company. He holds a bachelor's degree in Science from Patna University and a master's degree in Science (Botany) from Patna University. He has superannuated as Chairman of Life Insurance Corporation of India on December 31, 2018. Prior to his taking over as Chairman on September 16, 2016, he had served as Chairman (in-charge) from September 16, 2016 and Managing Director of Life Insurance Corporation of India from November 1, 2013. From December 2010 to November 2013, he had served as Managing Director and Chief Executive Officer of LIC Housing Finance Limited. He has been a Director of our Company since October 21, 2020.

**Charu Singh**, aged 35 years, is an Independent Director of our Company. She holds a bachelor's degree in Commerce from University of Delhi and a master's degree in Commerce in Business Policy and Corporate Governance from Indira Gandhi National Open University. She holds a master's degree in Business Administration (International Business) from Panjab University. She is a qualified company secretary from the Institute of Company Secretaries of India. She has worked with Price Waterhouse & Co., GE India Business Services Private Limited as Assistant Manager –India Transfer Pricing CoE and with Vivekananda College as Ad-hoc Assistant Professor (Department of Commerce) and has over 5 years of work experience in accounts and finance. She has been a Director of our Company since October 21, 2020.

**Ruchita Agarwal**, aged 36 years, is an Independent Director of our Company. She holds a bachelor's degree in Commerce from University of Pune and a degree in Global MBA (Finance) from S. P. Jain Center of Management. She has worked with J.P. Morgan Chase and has 2 years of work experience. She has been a Director of our Company since October 29, 2020.

### **Confirmation from Directors**

None of our Directors have been identified as a wilful defaulter, as defined in the SEBI ICDR Regulations.

None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Red Herring Prospectus with the SEBI, during the term of his/ her directorship in such company.

None of our Directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

None of our Directors is or was a director on any listed companies which have been or were delisted from any stock exchange during the term of their directorship in such companies.

### **Arrangement or understanding with major shareholders, customers, suppliers or others**

None of our Directors have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

### **Terms of appointment of Managing Director**

#### **Saurabh Goyal**

Saurabh Goyal has been appointed as the Chairman with effect from July 31, 2020 and Managing Director of our Company for a term of 3 years with effect from September 3, 2020 pursuant to a resolution passed by our Board and our Shareholders on September 3, 2020 and September 4, 2020, respectively. Further, the terms and conditions of his appointment as the Managing Director are set forth below:

| <b>Particulars</b> | <b>Details</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Basic Salary       | ₹12,500,000 (Rupees One Crore Twenty Five Lakhs only) per annum and be broken into various components as per HR policy of the Company. He shall be entitled to increment in salary of not more than 20% in the month of April every year over the previous Financial Year's salary                                                                                                                                                                                  |
| Perquisites        | <ul style="list-style-type: none"> <li>He shall be entitled to medical reimbursement, club fees, personal accident insurance, telephone, actual leave travel expenses including hotel and food charges to himself and his family and/or such other perquisites in accordance with the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income Tax Rules, 1962, being restricted to Rs. 25 lacs per annum.</li> </ul> |

| Particulars | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | <ul style="list-style-type: none"> <li>• He shall be entitled to on actual basis: <ul style="list-style-type: none"> <li>- Company maintained car with driver for official purposes;</li> <li>- Official travel expenses including business class air tickets, five star hotel stay and food charges;</li> <li>- For official conduct of the company for communication, travel &amp; other such expenses on actual will be incurred by the company from time to time; and</li> <li>- All facilities to ensure that he will be able to discharge his duties smoothly.</li> </ul> </li> <li>• In addition to the perquisites referred above, he will be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration: <ul style="list-style-type: none"> <li>- Leave Encashment at the end of the tenure.</li> <li>- Contributions to provident fund, superannuation fund or annuity fund, to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.</li> <li>- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.</li> <li>- Any other perquisites, which is specifically provided in the Companies Act to be excluded for the purpose of computation of the ceiling on remuneration.</li> </ul> </li> </ul> |

### Payment of benefits to our Directors

The sitting fees and other remuneration paid or payable to our Directors in Financial Year 2020 are as follows:

#### 1. Remuneration paid to our Chairman and Managing Director

The following table sets forth the remuneration paid by our Company to the Chairman and Managing Director of our Company for Fiscal 2020:

| (In ₹ million)       |                   |
|----------------------|-------------------|
| Name of the Director | Remuneration Paid |
| Saurabh Goyal        | 6.90              |

#### 2. Remuneration paid to our Independent Directors

Pursuant to the resolution of our Board dated October 21, 2020, the sitting fees payable to our Non-Executive/ Independent Director for attending meetings of our Board is ₹ 10,000 each. For attending meetings of committees, sitting fees of ₹1,000 each is payable to our Non-Executive/ Independent Directors. The details of sitting fees paid to the existing Independent Directors during Fiscal 2020 are as follows:

| (In ₹ million)                  |                   |
|---------------------------------|-------------------|
| Name of the Director            | Remuneration Paid |
| Vijay Kumar Sharma <sup>#</sup> | -                 |
| Charu Singh <sup>*</sup>        | -                 |
| Ruchita Agarwal <sup>@</sup>    | -                 |

<sup>#</sup> Vijay Kumar Sharma was appointed as an Independent Director with effect from October 21, 2020.

<sup>\*</sup> Charu Singh was appointed as an Independent Director with effect from October 21, 2020.

<sup>@</sup> Ruchita Agarwal was appointed as an Independent Director with effect from October 29, 2020.

#### 3. Remuneration paid to our Non-Executive Directors

The following table sets forth the remuneration/ sitting fees paid by our Company to the Non-Executive Directors of our Company for Fiscal 2020:

(In ₹ million)

| Name of Director | Remuneration Paid |
|------------------|-------------------|
| Smita Goyal*     | -                 |
| Rajinder Sharma  | -                 |

\*Smita Goyal was appointed as a Non-Executive Director with effect from October 21, 2020.

### Service contracts with our Directors

There are no service contracts entered into with any of our Directors which provide for any benefits upon termination of employment.

### Shareholding of our Directors and Key Managerial Personnel

The Articles of Association of our Company do not require our Directors to hold any qualification shares.

The following table sets forth details of shareholding of our Directors and Key Managerial Personnel in our Company as of this Red Herring Prospectus:

| Name of Director | No. of Equity Shares (pre-Issue) | Percentage (%) |
|------------------|----------------------------------|----------------|
| Saurabh Goyal    | 3,499,979                        | 46.67          |
| Smita Goyal      | 7                                | 0.00*          |
| Aryan Goyal      | 7                                | 0.00*          |

\*Less than 0.01 percent

### Bonus or profit sharing plan for our Directors

Our Company does not have a bonus or profit sharing plan for our Directors.

### Interest of our Directors

Our Managing Directors and other Non-Executive Directors may be deemed to be interested to the extent of remuneration (including performance related pay) payable to them for services rendered as Directors of our Company or sitting fees paid to them for attending the meetings of the Board and Committees of the Board and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our Whole-time Directors and Managing Directors see “Remuneration paid to our Managing Directors”, “Remuneration paid to our Independent Directors” and “Remuneration paid to our Non-Executive Directors” above.

Our Directors may also be regarded as interested in the Equity Shares, if any, that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and/ or trustees. Such Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Some of the Directors may also be interested to the extent of Equity Shares held by them in our Company. Hence, they may be deemed to be interested to the extent of their shareholding in our Company.

No consideration in cash, shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce them to become, or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or companies in which they are interested, in connection with the promotion or formation of our Company.

Except as stated in “Restated Consolidated Financial Information” on page 155, our Directors do not have any other interest in the business of our Company.

None of our Directors are interested in any transaction of our Company for the acquisition of land, construction of building and supply of machinery. Further, none of our Directors are related to any entity from whom our Company has acquired land or proposes to acquire land.



Further, the Directors of our Company have no interest in any property acquired by our Company in the preceding three years prior to the date of this Red Herring Prospectus or proposed to be acquired by our Company.

### **Changes in our Board during the Last Three Years**

Details of changes in our Board during the three years immediately preceding the date of this Red Herring Prospectus are as follows:

| <b>Name of Director</b> | <b>Date of Appointment</b> | <b>Date of Cessation</b> | <b>Reason</b> |
|-------------------------|----------------------------|--------------------------|---------------|
| Rajneesh Kaushal        | -                          | November 30, 2018        | Resignation   |
| Rajinder Sharma         | November 30, 2018          | -                        | Appointment   |
| Rajneesh Kaushal        | June 10, 2020              | -                        | Appointment   |
| Rajneesh Kaushal        | -                          | October 21, 2020         | Resignation   |
| Smita Goyal             | October 21, 2020           | -                        | Appointment   |
| Charu Singh             | October 21, 2020           | -                        | Appointment   |
| Vijay Kumar Sharma      | October 21, 2020           | -                        | Appointment   |
| Ruchita Agarwal         | October 29, 2020           | -                        | Appointment   |

### **Borrowing Powers of our Board**

Our Board is empowered to borrow money in accordance with Sections 73 – 76, 179 and 180 of the Companies Act, 2013. Further, in accordance with the Articles of Association, our Board has been empowered to borrow funds subject to certain conditions as required to be met in accordance with the applicable laws and which does not exceed the aggregate for the time being of the paid up capital of our Company and its free reserves.

### **Corporate governance**

In addition to the applicable provisions of the Companies Act with respect to corporate governance, the provisions of SEBI Listing Regulations will also be applicable to our Company immediately upon the listing of our Equity Shares on the Stock Exchanges.

We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, as amended, Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law. Our Board functions either directly, or through various committees constituted to oversee specific operational areas. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of SEBI Listing Regulations and the Companies Act, 2013.

### **Committees of our Board**

In compliance with corporate governance requirements, our Company has constituted the following committees in addition to other non-mandatory committees:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Corporate Social Responsibility Committee;
4. Stakeholder's Relationship Committee; and
5. IPO Committee.

The details of the committees required to be constituted by our Company under the Companies Act, 2013 and the SEBI Listing Regulations are as follows:

#### **1. Audit Committee**

The Audit Committee was constituted on October 29, 2020 and the members of the said Committee are as follows:

| Name of Member  | Designation | Nature of Directorship |
|-----------------|-------------|------------------------|
| Charu Singh     | Chairman    | Independent Director   |
| Ruchita Agarwal | Member      | Independent Director   |
| Smita Goyal     | Member      | Non-Executive Director |

Gurvikram Singh is the secretary of the Audit Committee.

Our Board has adopted the terms of reference of the Audit Committee *vide* its meeting held on October 29, 2020. The terms of reference of the Audit Committee include the following:

The Audit Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

**A. Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**B. Role of Audit Committee**

The role of the Audit Committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - 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. Modify opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice, and making appropriate recommendations to the Board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval of any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. 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;
17. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the whistle blower mechanism;
19. Approval of appointment of CFO (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; and
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/ investment by the Company in its subsidiary(ies) exceeding rupees 100 crore or 10% of the asset size of the respective subsidiary(ies), whichever is lower including existing loans/ advances/ investments.

## 2. ***Nomination and Remuneration Committee***

Our Nomination and Remuneration Committee was constituted on October 29, 2020. The members of the said Committee are as follows:

| <b>Name of Member</b> | <b>Designation</b> | <b>Nature of Directorship</b> |
|-----------------------|--------------------|-------------------------------|
| Charu Singh           | Chairman           | Independent Director          |
| Ruchita Agarwal       | Member             | Independent Director          |
| Rajinder Sharma       | Member             | Non-Executive Director        |

Gurvikram Singh is the Secretary of the Nomination and Remuneration Committee.

Our Board has adopted the terms of reference of the Nomination and Remuneration Committee *vide* its meeting held on October 29, 2020. The terms of reference of the Nomination and Remuneration Committee include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- 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.
- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
  - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
- Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.
- Recommending to the Board, all remuneration, in whatever form, payable to senior management of the Company”

### 3. *Corporate Social Responsibility Committee*

Our Corporate Social Responsibility Committee was constituted on October 29, 2020. The composition of Corporate Social Responsibility Committee as on this date of Red Herring Prospectus is as follows:

| <b>Name of Member</b> | <b>Designation</b> | <b>Nature of Directorship</b>  |
|-----------------------|--------------------|--------------------------------|
| Saurabh Goyal         | Chairman           | Chairman and Managing Director |
| Rajinder Sharma       | Member             | Non-Executive Director         |
| Charu Singh           | Member             | Independent Director           |

Gurvikram Singh is the Secretary of the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility committee with regard to Corporate Social Responsibility include the following:

1. To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
3. To monitor the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

#### 4. *Stakeholders' Relationship Committee*

Our Stakeholders' Relationship Committee was constituted on October 29, 2020. The members of the said Committee are as follows:

| <b>Name of Member</b> | <b>Designation</b> | <b>Nature of Directorship</b> |
|-----------------------|--------------------|-------------------------------|
| Smita Goyal           | Chairman           | Non-Executive Director        |
| Rajinder Sharma       | Member             | Non-Executive Director        |
| Charu Singh           | Member             | Independent Director          |

Gurvikram Singh is the Secretary of the Stakeholders' Relationship Committee.

The terms of reference of the Stakeholders' Relationship Committee include the following:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
- Carrying out any other function contained in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time."

#### 5. *IPO Committee*

In addition to the above, our Company has also constituted an IPO Committee pursuant to the resolution of our Board dated October 29, 2020. The IPO Committee is authorized to, among other things, approve, implement, negotiate, carry out and decide upon, all activities in connection with the Issue.

The members of the said Committee are as follows:

| <b>Name of Member</b> | <b>Designation</b> | <b>Nature of Directorship</b>  |
|-----------------------|--------------------|--------------------------------|
| Saurabh Goyal         | Chairman           | Chairman and Managing Director |
| Smita Goyal           | Member             | Non-Executive Director         |
| Rajinder Sharma       | Member             | Non-Executive Director         |

Gurvikram Singh, will act as secretary to the IPO Committee.

The terms of reference of the IPO Committee include the following:

- (a) Approving amendments to the memorandum of association and the articles of association of the Company;
- (b) Approving all actions required to dematerialize the Equity Shares, including seeking the admission of the Equity Shares into the Central Depository Services (India) Limited (the "CDSL") and the National Securities Depository Limited (the "NSDL");
- (c) Finalizing and arranging for the submission of the DRHP, the RHP, the Prospectus and the preliminary and

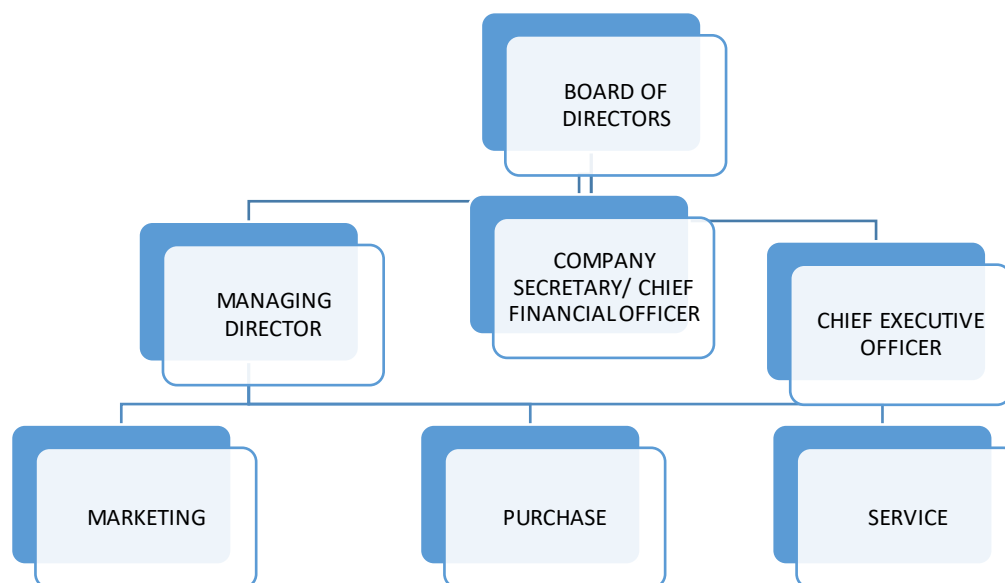
final international wrap and any amendments, supplements, notices or corrigenda thereto, to appropriate government and regulatory authorities, institutions or bodies;

- (d) Approving a code of conduct as may be considered necessary by the Board or the IPO Committee or as required under Applicable Laws for the Board, officers of the Company and other employees of the Company;
- (e) Issuing advertisements as it may deem fit and proper in accordance with Applicable Laws;
- (f) Approving suitable policies, including on insider trading, whistle blower/vigil mechanism, risk management and other corporate governance requirement that may be considered necessary by the Board or the IPO Committee or as may be required under Applicable Laws in connection with the Issue;
- (g) Deciding on the size and all other terms and conditions of the Issue and/or the number of Equity Shares to be offered and transferred in the Issue, including any Pre-IPO Placement, Reservation, Green Shoe Option and any rounding off in the event of any oversubscription as permitted under Applicable Laws;
- (h) Taking all actions as may be necessary or authorized in connection with the Issue;
- (i) Appointing and instructing book running lead managers, lead managers, syndicate members, placement agents, bankers to the Issue, the registrar to the Issue, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsels, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies and all such persons or agencies as may be involved in or concerned with the Issue and whose appointment is required in relation to the Issue, including any successors or replacements thereof;
- (j) Opening bank accounts, share/securities accounts, escrow or custodian accounts, in India or abroad, in Rupees or in any other currency, in accordance with Applicable Laws;
- (k) Entering into agreements with, and remunerating all such book running lead managers, lead managers, syndicate members, placement agents, bankers to the Issue, the registrar to the Issue, bankers to the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsels, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies, and all other agencies or persons as may be involved in or concerned with the Issue, including any successors or replacements thereof, by way of commission, brokerage, fees or the like;
- (l) Seeking the listing of the Equity Shares on the Stock Exchanges, submitting listing applications to the Stock Exchanges and taking all such actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into the listing agreements with the Stock Exchanges;
- (m) Seeking, if required, the consent of the Company's lenders and lenders of its subsidiaries, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Issue;
- (n) Submitting undertaking/certificates or providing clarifications to the SEBI and the Stock Exchanges;
- (o) Determining the price at which the Equity Shares are offered and transferred to investors in the Issue in accordance with Applicable Laws, in consultation with and the book running lead manager(s) and/or any other advisors, and determining the discount, if any, proposed to be offered to eligible categories of investors;
- (p) Determining the price band and minimum lot size for the purpose of bidding, any revision to the price band and the final Issue price after bid closure;
- (q) Determining the bid opening and closing dates;

- (r) Finalizing the basis of allocation and transfer of Equity Shares to retail investors/non-institutional investors/qualified institutional buyers and any other investor in consultation with the book running lead managers, the Stock Exchanges and/or any other entity;
- (s) Approving/taking on record the transfer of the Equity Shares;
- (t) Opening with the bankers to the Issue, escrow collection banks and other entities such accounts as are required under Applicable Laws;
- (u) To issue receipts/allotment letters/confirmations of allotment 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 aforesaid documents;
- (v) Severally authorizing Saurabh Goyal – Chairman and Managing Director and/ or Aryan Goyal – Chief Executive Officer and/ or Gurvikram Singh – Company Secretary and/ or Sakshi Mittal – Chief Financial Officer (each, an “**Authorized Officer**”), 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 considers necessary, desirable or expedient, in connection with the Issue, including, without limitation, engagement letters, memoranda of understanding, the listing agreements with the stock exchanges, the registrar’s agreement, the depositories’ agreements, the issue agreement with the book running lead managers (and other entities as appropriate), the underwriting agreement, the syndicate agreement, the cash escrow agreement, the share escrow agreement, confirmation of allocation notes, the advertisement agency agreement and any undertakings and declarations, 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, the book running lead manager(s), lead manager(s), syndicate members, placement agents, bankers to the Issue, registrar to the Issue, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Issue including any successors or replacements thereof; and any such agreements or documents so executed and delivered and acts, deeds, matters and things done by any such Authorized Officer shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing;
- (w) Severally authorizing the Authorized Officers to take any and all action in connection with making applications, seeking clarifications and obtaining approvals (or entering into any arrangement or agreement in respect thereof) in connection with the Issue, including, without limitation, applications to, and clarifications or approvals from the Government of India, the RBI, the SEBI, the RoC, and the Stock Exchanges and that any such action already taken or to be taken is hereby ratified, confirmed and/or approved as the act and deed of the Authorized Officer and the Company, as the case may be;
- (x) Severally authorizing the Authorized Officers, for and on behalf of the Company, to execute and deliver any and all documents, papers or instruments and to do or cause to be done any and all acts, deeds, matters or things as any such Authorized Officer may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Issue; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by any such Authorized Officer shall be conclusive evidence of the authority of such Authorized Officer and the Company in so doing and any such document so executed and delivered or acts, deeds, matters and things done or caused to be done by any such Authorized Officer prior to the date hereof are hereby ratified, confirmed and approved as the act and deed of the Authorized Officer and the Company, as the case may be; and
- (y) Executing and delivering any and all documents, papers or instruments and doing or causing to be done any and all acts, deeds, matters or things as the IPO Committee may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Issue; and any documents so

executed and delivered or acts, deeds, matters and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.”

### Management Organization Structure



### Key Managerial Personnel

In addition to the Directors of our Company, whose details have been provided under the paragraph “*Brief Profiles of our Directors*” under this section, the details of other Key Managerial Personnel of our Company are as follows:

**Aryan Goyal**, aged 37 years, is the Chief Executive Officer of our Company. He holds a bachelor’s degree in Science in Chemical Engineering from Purdue University, USA. He has more than 15 years of experience. Prior to joining our Company, he was working with Nectar Lifesciences Limited and Nectar Biopharma Private Limited as President. He was appointed as Chief Executive Officer since September 3, 2020. He received a gross remuneration of 6.90 million in Fiscal 2020.

**Sakshi Mittal**, aged 31 years, is the Chief Financial Officer of our Company. She is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. She has more than 7 years of experience in finance and accounts. Prior to joining our Company, she was working with Nectar Life Sciences Limited as Deputy Manager and Nectar Biopharma Private Limited as Deputy Manager. She is associated with our Company since October 21, 2020. She received a gross remuneration of 0.74 million in Fiscal 2020.

**Gurvikram Singh**, aged 30 years, is the Company Secretary and Compliance Officer of our Company. He holds a bachelor’s degree in Commerce from Kurukshetra University. He is a qualified company secretary from the Institute of Company Secretaries of India and has experience in handling secretarial matters. Prior to joining our Company, he was working with Gupta Builders and Promoters Private Limited and has been appointed as Company Secretary of our Company since August 3, 2020.

All the Key Managerial Personnel are permanent employees of our Company.

### Relationship of Key Managerial Personnel with our Directors and/ or other Key Managerial Personnel

Except as Disclosed below, none of our Key Managerial Personnel are related to each other or any of Directors of our Company:



| <b>Names</b>                  | <b>Relationship</b> |
|-------------------------------|---------------------|
| Saurabh Goyal and Aryan Goyal | Brothers            |
| Smita Goyal and Aryan Goyal   | Brother in law      |

### **Changes in Key Managerial Personnel in the last three years**

Except as disclosed in “*Our Management - Changes in our Board during last three years*” under this section, and herein below, there have been no other changes in our Key Management Personnel in the last three years prior to the date of this Red Herring Prospectus:

| <b>Name of Director</b> | <b>Date of Appointment</b> | <b>Date of Cessation</b> | <b>Reason</b>                          |
|-------------------------|----------------------------|--------------------------|----------------------------------------|
| Gurvikram Singh         | August 3, 2020             | -                        | Appointment as Company Secretary       |
| Aryan Goyal             | September 3, 2020          | -                        | Appointment as Chief Executive Officer |
| Sakshi Mittal           | October 21, 2020           | -                        | Appointment as Chief Financial Officer |

### **Arrangements with major shareholders, customers and suppliers etc**

None of our Key Managerial Personnel was selected as such pursuant to any arrangement with any major shareholder, customers, suppliers or others.

### **Service Contracts**

Except for the appointment letters issued by our Company, our Key Managerial Personnel have not entered into any service contract in relation to their appointment and remuneration.

### **Bonus or profit sharing plan for our Key Managerial Personnel**

Our Company does not have a bonus or profit sharing plan for our Key Managerial Personnel.

### **Contingent and deferred compensation payable to our Directors or Key Managerial Personnel**

There is no contingent or deferred compensation payable to our Directors or Key Managerial Personnel, which form part of their remuneration.

### **Interest of Key Managerial Personnel**

Except as disclosed under the heading “*Our Management – Key Managerial Personnel*” under this section, none of our Key Managerial Personnel have any interest in our Company and Subsidiary, as the case may be, except as disclosed in this Red Herring Prospectus and to the extent of their, remuneration, benefits and reimbursement of expenses incurred by them in the ordinary course of business, which they receive from our Company or our Subsidiary, their shareholding in our Company and our Subsidiary, if any, loans availed from our Company and our Subsidiary, if any.

Our Key Managerial Personnel may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

### **Loans to Key Management Personnel**

Our Company has not granted any loans to the Key Managerial Personnel as on the date of this Red Herring Prospectus.

**Employees' stock option plan**

As on the date of this Red Herring Prospectus, our Company has not formulated any employees' stock option or employee stock purchase scheme.

**Payment of non-salary related benefits to Key Managerial Personnel of our Company**

Except as stated in "*Our Management*" on page 127, no amount or benefit (non-salary related) has been paid or given to any Key Managerial Personnel within the two years preceding the date of this Red Herring Prospectus or is intended to be paid, other than in the ordinary course of their employment.

## OUR PROMOTER AND PROMOTER GROUP

### Our Promoter

The Promoter of our Company is:

1. Saurabh Goyal

As on date of this Red Herring Prospectus, Saurabh Goyal holds 3,499,979 Equity Shares, representing 46.67% of the pre – Issue issued, subscribed and paid – up Equity Share Capital of our Company. Further as on date of this Red Herring Prospectus, our Promoter along with our Promoter Group, collectively hold an aggregate of 6,999,993 Equity Shares, aggregating to 93.33% of the pre-Issue issued, subscribed and paid-up Equity Share Capital of our Company. For details, see “*Capital Structure – Notes to Capital Structure – History of build-up, Contribution and Lock-in of Promoters Shareholding*” on page 61.

The details of our Promoter are:



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#### Saurabh Goyal

Saurabh Goyal, aged 35 years, is the Chairman and Managing Director of our Company. For further details, see “*Our Management*” on page 143.

Driving license number: CH 01/DLA/0006383/2017.

Permanent account number: AJAPG4217C.

Aadhaar card number: 8989 2786 5369.

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Our Company confirms that the permanent account number, bank account number and the passport number of our Promoter shall be submitted to the Stock Exchanges at the time of filing of this Red Herring Prospectus.

### Changes in the management and control of our Company

Pursuant to the Scheme of Arrangement between Nectar Biopharma Private Limited (“NBPL”) and our Company and their respective shareholders, sanctioned *vide* an order dated April 29, 2020 of the National Company Law Tribunal, Mumbai, Specified Undertaking (as defined in the Scheme of Arrangement) was demerged from NBPL and vested into our Company with the appointed date for such transfer being April 1, 2019. For further details in relation to the Scheme of Arrangement, see “*History and Certain Corporate Matters*” on page 120. Prior to the Scheme of Arrangement, our entire issued and paid-up share capital comprising 10,000 Equity Shares was held by NBPL (9,999 Equity Shares) and Saurabh Goyal (holding on behalf of NBPL) (1 Equity Shares) which were subsequently cancelled. Subsequent to the sanctioning of the Scheme of Arrangement, our Company allotted 1,000,000 Equity Shares to the shareholders of NBPL of which 500,000 Equity Shares and 500,000 Equity Shares were allotted to Saurabh Goyal and Payal Goyal respectively, representing 46.67% and 46.67% of our paid-up capital respectively. For further details, see “*Capital Structure – Notes to Capital Structure- 1. History of Equity Share capital of our Company*” beginning on page 61.

### Disassociation by Promoter in the last three years

Except as provided below, our Promoter has not disassociated themselves from any venture during the three years preceding the date of filing of this Red Herring Prospectus:

| Date of disassociation | Name of the venture          | Particulars                                                            |
|------------------------|------------------------------|------------------------------------------------------------------------|
| September 10, 2020     | Nectar Life Sciences Limited | Ceased pursuant to Family Partition Deed dated September 10, 2020. For |

| Date of disassociation | Name of the venture        | Particulars                                                        |
|------------------------|----------------------------|--------------------------------------------------------------------|
|                        |                            | further details see, “-Family Partition Deed” under this section.* |
| December 3, 2019       | Nureca Electronics Limited | Due to strike off.                                                 |

\*Saurabh Goyal has issued advertisement in newspaper on September 30, 2020 and filed letter dated October 1, 2020 with Stock Exchanges pursuant to disassociation from Nectar Life Sciences Limited.

## Interest of our Promoter

### *Interest of Promoter in the promotion of our Company*

Our Promoter is interested in our Company to the extent of the promotion of our Company and to the extent of their shareholdings and directorships in our Company, Subsidiaries and Group Companies and the dividend declared and due, if any, and employment related benefits paid by our Company, Subsidiaries and Group Companies. Further, our Promoter is also interested to the extent of shareholding of their relatives in our Company and Group Companies. For further details, see “Capital Structure” and “Our Management” on pages 61 and 127, respectively.

### *Interest of Promoter in our Company other than as Promoter*

Except as stated in this section and the sections titled “Our Management” and “Financial Statements - Related Party Transactions” on pages 127 and 155, respectively, our Promoter do not have any interest in our Company other than as promoter.

### *Interest of Promoter in the property of our Company*

Except as stated in “Financial Statements” beginning on page 155, our Promoter do not have any interest in any property acquired by our Company within three years preceding the date of this Red Herring Prospectus or proposed to be acquired by our Company as on the date of filing of this Red Herring Prospectus or in any transaction for acquisition of land, construction of buildings and/or supply of machinery, etc.

## Payment of amounts or benefits to our Promoter or Promoter Group during the last two years

Except as disclosed in the sub-section “- Interest of Promoter” mentioned above, no amount or benefit has been paid or given or intended to be paid or given by our Company to our Promoter or members of our Promoter Group in the two years preceding the date of this Red Herring Prospectus.

## Guarantees

Our Promoter has not given any guarantee to a third party as on the date of this Red Herring Prospectus.

## Related party transactions

Except as stated in the section titled “Financial Statements” on page 155, our Company has not entered into any related party transactions with our Promoter, during the last three Fiscal Years.

## Confirmations

Our Company has not made any payments in cash or otherwise to our Promoter or to the firms or companies in which our Promoter are interested as members, directors or promoter nor have our Promoter been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company.

Further, none of our sundry debtors are related to our Promoter in any manner.

## Our Promoter Group

(a) *Individuals forming part of the Promoter Group*

The natural persons who are part of our Promoter Group (being the immediate relatives of our Promoter) are as follows:

| Relationship with the Promoter | Saurabh Goyal               |
|--------------------------------|-----------------------------|
| Father                         | -                           |
| Mother                         | -                           |
| Brother                        | Aryan Goyal                 |
| Sister                         | -                           |
| Spouse                         | Smita Goyal                 |
| Daughter                       | Siyona Goyal<br>Sanaz Goyal |
| Son                            | -                           |
| Spouse's Father                | Radhey Ram Jakhar           |
| Spouse's Mother                | Krishna Jakhar              |
| Spouse's Brother               | Rohit Jakhar                |
| Spouse's Sister                | -                           |

*The Promoter Group of our Company does not include Sanjiv Goyal and Raman Goyal, parents of Saurabh Goyal, our individual Promoter, or any entity in which Sanjiv Goyal and Raman Goyal may have an interest. Further, Saurabh Goyal and Aryan Goyal along with their spouses, entered into a family partition deed with Sanjiv Goyal along with his wife Raman Goyal, parents of Saurabh Goyal and Aryan Goyal on September 10, 2020 and disassociated themselves from Sanjiv Goyal and Raman Goyal and entities promoted by Sanjiv Goyal and Raman Goyal.*

(b) *Entities forming part of the Promoter Group*

The companies and entities that form part of our Promoter Group are as follows:

| Sr. No.          | Name of the Promoter Group Entities |
|------------------|-------------------------------------|
| <i>Companies</i> |                                     |
| 1.               | Nectar Biopharma Private Limited    |
| 2.               | Trumom Private Limited              |
| 3.               | Mirasan Private Limited             |
| <i>HUFs</i>      |                                     |
| 4.               | Aryan Goyal HUF                     |
| 5.               | Saurabh Goyal HUF                   |

(c) *Persons whose shareholding is aggregated under the heading "shareholding of the promoter group"*

Following are person whose shareholding is aggregated under the heading "shareholding of the promoter group:

1. Payal Goyal

**Family Partition Deed**

The Promoter of our Company has entered into Family Partition Deed dated September 10, 2020 ("**Family Partition Deed**") executed between our Promoter and includes his wife Smita Goyal, Aryan Goyal and includes his wife Payal Goyal and Sanjiv Goyal and includes his wife Raman Goyal. The Family Partition Deed, *inter alia*, provided the follow:

1. The Family Partition Deed is for the separation of our Promoter and Aryan Goyal from their father Sanjiv Goyal including his wife Raman Goyal. Sanjiv Goyal who is the promoter and director in a pharmaceutical company known as Nectar Life Sciences Limited ("**Nectar Life Sciences**") having its registered office at Village, Saidpura, Tehsil Derabassi, District SAS Nagar (Mohali), Punjab.

2. During the initial period of the career of our Promoter and Aryan Goyal had worked with the company promoted by Sanjiv Goyal in their capacity as a director and employee.
3. Aryan Goyal was an executive director of the company promoted by Sanjiv Goyal i.e. Nectar Life Sciences for a period of ten years with effect from May 5, 2005 to November 12, 2014. Post the resignation of Aryan Goyal from the directorship in Nectar Life Sciences, Aryan Goyal joined Nectar Life Sciences as an employee in his capacity as President with effect from November 13, 2014 till November 30, 2018.
4. Our Promoter was an executive director of the company promoted by Sanjiv Goyal i.e. Nectar Life Sciences for period of four years in two tranches with effect from June 20, 2008 till February 11, 2009 as first tenure and with effect from August 11, 2010 till February 11, 2014 as second tenure. Post resignation of our Promoter from the directorship in Nectar Life Sciences, our Promoter joined Nectar Life Sciences as an employee in his capacity as President with effect from February 12, 2014 till November 30, 2018.
5. Post retirement from Nectar Life Sciences our Promoter and Aryan Goyal parted their ways from their father Sanjiv Goyal and had gifted their holding in Nectar Life Sciences i.e. 243,000 equity shares and 290,000 equity shares, respectively, on July 25, 2019 to Sanjiv Goyal.
6. In the meantime, Smita Goyal being wife of our Promoter and Payal Goyal being wife of Aryan Goyal jointly promoted Nectar Biopharma Private Limited ("**Nectar Biopharma**"). Further, Smita Goyal and Payal Goyal also jointly promoted our Company.
7. The National Company Law Tribunal, Mumbai has through its order dated April 29, 2020, sanctioned the scheme of arrangement between Nectar Biopharma and our Company.
8. Our Promoter and Aryan Goyal after ceasing their association with Sanjiv Goyal have been completely focused on their own company Nectar Biopharma.
9. Therefore, pursuant to this Family Partition Deed our Promoter and Aryan Goyal hold out to all i.e. the friends, parties and statutory authorities that their companies Nectar Biopharma and our Company does not have any association with Sanjiv Goyal or his companies. Further, our Promoter and Aryan Goyal ceased their shareholding and all rights in respect of shares held by them in Nectar Life Science Limited, a company promoted and managed by their father Sanjiv Goyal.

Pursuant to the Family Partition Deed, our Promoter has issued advertisement in newspaper on September 30, 2020 and filed letter dated October 1, 2020 with Stock Exchanges pursuant to disassociation from Nectar Life Sciences Limited. Further Aryan Goyal has also issued advertisement in newspaper on September 30, 2020 and filed letter dated September 30, 2020 with Stock Exchanges pursuant to disassociation from Nectar Life Sciences Limited.

Accordingly, Promoter Group of our Company does not include Sanjiv Goyal and Raman Goyal, parents of our Promoter, or any entity in which Sanjiv Goyal and Raman Goyal may have an interest.

For further details of the disassociation by our Promoter, see "*Our Promoter and Promoter Group - Disassociation by Promoter in the last three years*" on page 143. Further, also see "*Risk Factor - The Promoter Group of our Company does not include Sanjiv Goyal and Raman Goyal, parents of Saurabh Goyal, our individual Promoter, or any entity in which Sanjiv Goyal and Raman Goyal may have an interest.*" on page 41.

### **Shareholding of the Promoter Group in our Company**

For details in relation to the shareholding of our Promoter and Promoter Group as on the date of this Red Herring Prospectus, see "*Capital Structure – Shareholding of our Promoter and other members of our Promoter Group*" on page 61.

### **Other Confirmations**

Our Promoter and members of our Promoter Group have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority. Further, there have been no violations of securities laws committed by any of them in the past or are currently pending against them.

Our Promoter has not been declared as wilful defaulter as defined under the SEBI ICDR Regulations.

Our Promoter is not and has never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoter has not been declared as Fugitive Economic Offenders.

## 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)) with which there were related party transactions during the period for which financial information is disclosed, as covered under the applicable accounting standards, and (ii) any other companies considered material by the board of directors of the issuer company.

In terms of SEBI ICDR Regulations for the purpose of identification of group companies, our Company has considered companies with which there were related party transactions, during the period for which the Restated Consolidated Financial Information has been included in this Red Herring Prospectus i.e. Fiscal 2018, Fiscal 2019, Fiscal 2020 and six months period ended September 30, 2020, and such other companies as considered material, in accordance with the Materiality Policy. In terms of the Materiality Policy, a company shall be considered material and disclosed as a Group Company, if:

- i. Such companies (other than promoter(s) and subsidiary/ subsidiaries) with which there were related party transactions, during the period for which Restated Consolidated Financial Information is disclosed in this Red Herring Prospectus; and
- ii. Such companies shall be considered material and disclosed as group companies which are members of the Promoter Group and with which there were related party transactions in the most recently completed Fiscal as per the Restated Consolidated Financial Information included in this Red Herring Prospectus, which, individually or in the aggregate, exceed 10% of the total restated consolidated revenues or 1% of the profit after tax whichever is lower of our Company for the most recently completed Fiscal as per the Restated Consolidated Financial Information included in this Red Herring Prospectus.

Further, we have submitted an exemption application dated November 10, 2020 with SEBI seeking an exemption from identifying Nectar Life Sciences Limited as the ‘group companies’ of our Company, as our Promoter have disassociated with Nectar Life Sciences Limited pursuant to the Family Partition Deed dated September 10, 2020 and our Promoter, Directors and Key Managerial Personnel are not connected with such company in any manner. Subsequently, such exemption was granted to us by SEBI *vide* its letter bearing number SEBI/HO/CFD/DIL1/YJ/KB/OW/P/2021/1/582 dated January 11, 2021. For further details of Family Partition Deed, please see, “*Our Promoter and Promoter Group*” on page 143.

For avoidance of doubt, it is hereby clarified that the subsidiaries of our Company, shall not be considered as ‘Group Companies’ for the purpose of disclosure in this Red Herring Prospectus.

Accordingly, based on the foregoing, following are our group companies of our Company (“**Group Companies**”):

1. Nectar Biopharma Private Limited; and
2. Trumom Private Limited.

### **A. Set forth below are the details of our Group Companies:**

#### **1. Nectar Biopharma Private Limited (“NBPL”)**

##### *Corporate Information*

NBPL was incorporated as ‘*Nectar Biopharma Private Limited*’, a private limited company under the Companies Act, pursuant to certificate of incorporation issued by Registrar of Companies, Delhi on April 13, 2015. Pursuant to the special resolution passed the shareholders of NBPL in Extraordinary General Meeting held on April 18, 2018, the place of the registered office of NBPL was changed from the state Delhi to Maharashtra and a fresh certificate of incorporation was issued by Registrar of Companies, Maharashtra at Mumbai on September 18, 2018. The registered office of NBL is situated at Quest Offices, The Parinee Crescenzo, 8<sup>th</sup> Floor, B Wing, Opp. MCA, G Block, Bandra Kurla Complex, Mumbai – 400 051, Maharashtra, India.

The corporate identity number of NBPL is U24100MH2015PTC314118.



None of the securities of NBPL are listed on any stock exchange and NBPL has not made any public or rights issue of securities in the preceding three years.

#### *Nature of Business*

NBPL is authorised under its memorandum of association, *inter alia*, to manufacture, formulate, process, refine, import, export, wholesale and/ or retail trade all kinds of pharmaceuticals, antibiotics, drugs, medicines, biologicals, nutraceuticals, healthcare, ayurvedic and dietary supplement products, medicinal preparations, vaccines.

#### *Interest of our Promoter*

Our Promoter holds 500,000 equity shares of face value of ₹ 10 each, amounting to 50% of the issued, subscribed and paid up capital of NBPL.

Other than as disclosed hereinabove, our Promoter is also a director on the board of NBPL and may be deemed to be interested to the extent of fees, if any, payable to him for attending meetings of the board or a committee thereof as well as to the extent of other remuneration or reimbursement of expenses payable to them.

#### *Financial Information*

The financial information derived from the audited financial results of NBPL for Fiscals 2020, 2019 and 2018 are provided below:

| <i>(in ₹ million, except for share data)</i>          |                    |                    |                    |  |
|-------------------------------------------------------|--------------------|--------------------|--------------------|--|
| <b>Particulars</b>                                    | <b>Fiscal 2020</b> | <b>Fiscal 2019</b> | <b>Fiscal 2018</b> |  |
| Equity Capital                                        | 10.00              | 10.00              | 10.00              |  |
| Reserves and Surplus (excluding revaluation reserves) | 35.45              | 115.70             | 48.32              |  |
| Total Revenue                                         | 664.42             | 1,180.43           | 711.03             |  |
| Profit/ (Loss) After Tax                              | 5.03               | 67.38              | 46.38              |  |
| Basic EPS                                             | 5.03               | 67.38              | 46.38              |  |
| Diluted EPS                                           | 5.03               | 67.38              | -                  |  |
| Net Asset Value per equity share                      | 45.45              | 124.27             | 58.32              |  |

#### *Significant notes of auditors of NBPL for last three Fiscals*

There are no significant notes by the auditors of NBPL in relation to the financial statements specified for the three immediately preceding Fiscals.

## **2. Trumom Private Limited (“TPL”)**

#### *Corporate Information*

TPL was incorporated as ‘*Trumom Private Limited*’, a private limited company under the Companies Act, pursuant to certificate of incorporation issued by Registrar of Companies, Central Registration Centre at Delhi on October 10, 2016. The registered office of TPL is situated at S-401, 2<sup>nd</sup> Floor, Greater Kailash Part II, New Delhi, Delhi – 110 048, India.

The corporate identity number of TPL is U24290DL2016PTC307027.

None of the securities of TPL are listed on any stock exchange and TPL has not made any public or rights issue of securities in the preceding three years.

#### *Nature of Business*

TPL is authorised under its memorandum of association, *inter alia*, to manufacture, formulate, process, develop, refine, import, export, wholesale and/ or retail trade all kinds of pharmaceuticals, drugs, medical or diagnostic equipments.

#### *Interest of our Promoter*

Our Promoter does not hold any equity shares in TPL.

Other than as disclosed hereinabove, our Promoter is also a director on the board of TPL and may be deemed to be interested to the extent of fees, if any, payable to him for attending meetings of the board or a committee thereof as well as to the extent of other remuneration or reimbursement of expenses payable to them.

#### *Financial Information*

The financial information derived from the audited financial results of TPL for Fiscals 2020, 2019 and 2018 are provided below:

| <i>(in ₹ million, except for share data)</i>          |                    |                    |                    |
|-------------------------------------------------------|--------------------|--------------------|--------------------|
| <b>Particulars</b>                                    | <b>Fiscal 2020</b> | <b>Fiscal 2019</b> | <b>Fiscal 2018</b> |
| Equity Capital                                        | 0.10               | 0.10               | 0.10               |
| Reserves and Surplus (excluding revaluation reserves) | 0.64               | 0.69               | 0.68               |
| Total Revenue                                         | 0.00               | 0.70               | 28.53              |
| Profit/ (Loss) After Tax                              | 0.05               | 0.00#              | 0.64               |
| Basic EPS                                             | (5.40)             | 1.23               | 64.17              |
| Diluted EPS                                           | (5.40)             | 1.23               | 64.17              |
| Net Asset Value per equity share                      | 74.52              | 79.92              | 78.68              |

#Amount denotes ₹12,327

#### *Significant notes of auditors of TPL for last three Fiscals*

There are no significant notes by the auditors of TPL in relation to the financial statements specified for the three immediately preceding Fiscals.

#### **B. Litigations involving our Group Companies**

Our Group Companies are not party to any material outstanding litigations which will have material impact on our Company.

#### **C. Details of Group Companies that have become sick or under winding up/ insolvency proceedings**

None of our Group Companies have become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up/ insolvency proceedings.

#### **D. Loss making Group Companies**

Except as disclosed in this chapter, none of our Group Companies has incurred a loss in the immediately preceding three financial year.

#### **E. Defunct Group Companies**

Except, Nureca Electronics Limited, which has been struck off on December 3, 2019, there are no defunct Group Companies and no applications have been made to the concerned registrar of companies for striking off the name of any of our Group Companies in the five years immediately preceding the date of this Red Herring Prospectus.

#### **F. Common Pursuits between the Group Companies and our Company**

Except for the fact that (i) some of our Group Companies are by its memorandum of association, authorised to engage in similar line of business dealt by our Company, (ii) Our Promoter and members of Promoter Group are also members of some of our Group Companies, and (iii) Some of our Directors hold directorship in some of our Group Companies, there are no common pursuits between the Group Companies and our Company.

**G. Related Party Transactions with the Group Companies and their significance on the financial performance of our Company.**

Except as disclosed in “*Financial Statements - Related Party Transactions*” on page 155, there are no related party transactions with the Group Companies.

**H. Business and Other Interest**

Except as disclosed in “*Financial Statements - Related Party Transactions*” on page 155, none of our Group Companies has any business and other interest in our Company.

**I. Nature and Extent of Interest of Group Companies**

*In the promotion of the Company*

None of our Group Companies have any interest in the promotion of our Company.

*In the properties acquired by our Company in the preceding three years before the date of this Red Herring Prospectus or proposed to be acquired*

Except as disclosed in “*Financial Statements - Related Party Transactions*” and “*History and Certain Corporate Matters*” on page 155 and 120, respectively, none of our Group Companies are interested in the properties acquired by our Company in the preceding three years before the date of this Red Herring Prospectus or proposed to be acquired.

*In any transaction in acquisition of land, construction of building and supply of machinery, etc.*

None of our Group Companies are interested in any transactions for acquisition of land, construction of building or supply of machinery.

**J. Other Confirmations**

Further, none of our Group Companies have been debarred from accessing the capital market for any reasons by SEBI or any other authorities nor have been identified as wilful defaulters.

Further, neither have any of the securities of our Company or any of our Group Companies been refused listing by any stock exchange in India or abroad during last ten years, nor has our Company or any of our Group Companies failed to meet the listing requirements of any stock exchange in India or abroad.

## **RELATED PARTY TRANSACTIONS**

The details of the related party disclosures, as per the requirements under Accounting Standard 18/ Ind AS 24 ‘Related Party Disclosures’ specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act are stated in “*Financial Statements – Restated Consolidated Financial Information – Related Parties Transactions – Note 31*” on page 155.

## **DIVIDEND POLICY**

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend distribution policy of our Company was approved and adopted by our Board at its meeting dated September 3, 2020.

Declaration of dividend, if any, will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the year and profit available for distribution, working capital requirements, business expansion and growth, additional investment in subsidiaries, cost of borrowing, economic environment, capital markets, and other factors considered by our Board of Directors. The Articles of Association also provides discretion to our Board to declare and pay interim dividends.

Our Company has not declared any dividends in: (i) the last three Fiscals; (ii) the six months period ended September 30, 2020; and (iii) the period between October 1, 2020 and the date of filing this Red Herring Prospectus.

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum of Association and Articles of Association and provisions of SEBI Listing Regulations and other applicable laws.

## SUPPLEMENTARY FINANCIAL INFORMATION

### Non-GAAP Financial Measure

In evaluating our business, we consider and use non-GAAP financial measure i.e. EBITDA to review and assess our operating performance. This non-GAAP financial measure is not defined under Ind AS and are not presented in accordance with Ind AS. Our non-GAAP financial measure may not be comparable to similarly titled measures reported by other companies due to potential inconsistencies in the method of calculation. We have included our non-GAAP financial measures because we believe they are one of the indicative measure of our operating performance and are used by investors and analysts to evaluate companies in the same industry. Our non-GAAP financial measure should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity reported in accordance with Ind AS. This measure should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. The presentation of this non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. The basis and methodology used to calculate the EBITDA is given below.

We have included EBITDA (earnings before interest, tax, depreciation and amortization), which is a non-GAAP financial measure, in this Red Herring Prospectus.

The following table reconciles our profit before tax (a GAAP financial measure) to EBITDA (non GAAP financial measure):

| <i>(In ₹ million)</i>                      |                                                                       |                    |                    |                    |
|--------------------------------------------|-----------------------------------------------------------------------|--------------------|--------------------|--------------------|
| <b>Particulars</b>                         | <b>For the period<br/>April 1, 2020 to<br/>September 30,<br/>2020</b> | <b>Fiscal 2020</b> | <b>Fiscal 2019</b> | <b>Fiscal 2018</b> |
| Profit after tax (A)                       | 361.80                                                                | 63.95              | 62.26              | 31.12              |
| Tax Expense (B)                            | 124.65                                                                | 22.13              | 26.15              | 12.11              |
| Profit before tax (C=A+B)                  | 486.45                                                                | 86.08              | 88.41              | 43.23              |
| Finance costs (D)                          | 11.83                                                                 | 7.73               | 2.44               | 0.64               |
| Depreciation and amortization expenses (E) | 1.78                                                                  | 3.74               | 0.57               | 0.06               |
| EBITDA (F=C+D+E)                           | 500.06                                                                | 97.55              | 91.42              | 43.93              |

EBITDA is included as supplemental disclosure as our management considers that they are useful indicators of our operating performance. Derivations of this non-GAAP financial measure are well-recognised performance measurements in the fast moving consumer goods industry that are frequently used by companies, investors, securities analysts and other interested parties in comparing the operating performance of companies in our industry. Our management also considers EBITDA to be useful for evaluating performance of our senior management team. However, because derivations of this measure is not determined in accordance with GAAP, such measure is susceptible to varying calculations, and not all companies calculate the measures in the same manner. As a result, derivations of these measures as presented may not be directly comparable to similarly titled measures presented by other companies.

This non-GAAP financial measure have limitations as an analytical tool. Some of these limitations are: it do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments; it do not reflect changes in, or cash requirements for, our working capital needs; it do not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt; although depreciation and amortisation are non-cash charges, the assets being depreciated and amortised will often have to be replaced in the future, and this measures do not reflect any cash requirements for such replacements; and other companies in our industry may calculate EBITDA differently than we do, limiting their usefulness as a comparative measure. Because of these limitations, EBITDA should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

**SECTION V: FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS**

*[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK]*

## INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors  
**Nureca Limited ("Company")**  
128 Gala Number Udyog Bhavan  
1<sup>st</sup> Floor Sonawala Lane,  
Goregaon (East), Mumbai – 400 063  
Maharashtra, India

Dear Sirs,

- 1) We have examined, the attached Restated Consolidated Financial Information of Nureca Limited (the "Company" or the "Holding Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), comprising the Restated Consolidated Statement of Assets and Liabilities as at 30 September 2020, 31 March 2020, 31 March 2019 and 31 March 2018, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the years ended 31 March 2020, 31 March 2019 and 31 March 2018, for the period beginning 1 April 2020 to 30 September 2020, and the summary statement of significant accounting policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 19 January 2021 for the purpose of inclusion in the Red Herring Prospectus ("RHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:
  - (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("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").
- 2) The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the RHP to be filed with Securities and Exchange Board of India ("SEBI"), the stock exchanges where the equity shares of the Company are proposed to be listed ("Stock Exchanges") and the Registrar of Companies, Mumbai ("RoC"), in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2.1 of Annexure V to the Restated Consolidated Financial Information.



The respective Board of Directors of the companies included in the Group are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors of the companies are also responsible for identifying and ensuring that the Group complies with the Act, the ICDR Regulations and the Guidance Note.

- 3) We have examined such Restated Consolidated Financial Information taking into consideration:
- (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 22 December 2020 in connection with the proposed IPO of equity shares of the Company;
  - (b) The Guidance Note. 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 the Restated Consolidated 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 proposed IPO of equity shares of the Company.
- 4) These Restated Consolidated Financial Information have been compiled by the management from:
- a) Audited special purpose interim consolidated financial statements of the Group as at and for the six months period ended 30 September 2020 prepared in accordance with recognition and measurement principles under Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Interim Consolidated Financial Statements") which have been approved by the Board of Directors at their meeting held on 19 January 2021.
  - b) Audited consolidated financial statements as at and for the year ended 31 March 2020, which were prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") at the relevant time which was approved by the Board of Directors at their meeting held on 31 July 2020. The management of the Company has adjusted financial information for the year ended 31 March 2020 included in such Indian GAAP financial statements, using recognition and measurement principles of Ind AS, and has included such adjusted financial information as comparative financial information in the financial statements for the six months period ended 30 September 2020 as referred to in para 4(a) above.
  - c) Audited standalone financial information for the years ended 31 March 2019 and 31 March 2018, prepared in accordance with Indian GAAP which was approved by the Board of Directors at their meetings held on 26 July 2019 and 5 September 2018, respectively, after incorporating Ind AS adjustments to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on the transition date.

The Restated Consolidated Financial Information as at and for the years ended 31 March 2019 and 31 March 2018 are referred to as "the Proforma Ind AS Restated Consolidated Financial Information" as per the Guidance Note.

- 5) For the purpose of our examination, we have relied on:
- (a) Auditors' reports issued by us dated 19 January 2021 and 31 July 2020 on the consolidated financial statements of the Group as at and for the six months period ended 30 September 2020, and as at and for the year ended 31 March 2020 as referred in Paragraph 4 above; and
  - (b) Auditors' Report issued by, Kumar Nohria & Co., Chartered Accountants ('Previous Auditor'), dated 26 July 2019 and 5 September 2018 on the audited Indian GAAP standalone financial statements of the Company as at and for the years ended 31 March 2019 and 31 March 2018, as referred in Paragraph 4 above. As informed to us by management, the Previous Auditor does not hold a valid peer review certificate as issued by the 'Peer Review Board' of the Institute of Chartered Accountants of India and has therefore, expressed its inability to perform any work on the restated consolidated financial information for the aforesaid years. Accordingly, in accordance with ICDR Regulations and the Guidance Note, restated consolidated financial information for the latest financial year and the stub period was audited by us.
- 6) The Audit report on the special purpose interim consolidated financial statements as at and six months period ended 30 September 2020 and on the consolidated financial statements as at and for the year ended 31 March 2020 issued by us contained the following Emphasis of Matter paragraphs:

**As at and for the six months period ended 30 September 2020**

During the six months period ended 30 September 2020, the Company has recorded the effect of the scheme of arrangement ('Scheme') between the Company and Nectar Biopharma Private Limited, erstwhile Holding Company. The Scheme has been approved by the National Company Law Tribunal ('NCLT') vide its order dated 29 April 2020 and a certified copy has been filed by the Company with the Registrar of Companies, Mumbai, on 23 May 2020. The appointed date as per the NCLT approved Scheme is 1 April 2019 and as per the requirements of Appendix C to Ind AS 103 "Business Combination", the combination has been accounted for as if it had occurred from the beginning of the preceding period in the financial statements. Accordingly, the amounts for the period from 1 April 2020 to 30 September 2020 include the impact of the business combination. Our opinion was not modified in respect of this matter.

**As at and for the year ended 31 March 2020**

During the year ended 31 March 2020, the Company has recorded the effect of demerger as per the scheme of arrangement ('Scheme') among Nectar Biopharma Private Limited (demerged company) and Nureca Limited (resulting company) and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act 2013, which has been sanctioned by the Honorable National Company Law Tribunal, Mumbai vide its order dated 29 April 2020. The Scheme has become effective on 23 May 2020 ("Effective date") on filing of certified copy of the order with the Registrar of Companies. The appointed date from which the scheme is operative is 1 April 2019 (the "appointed date"). Pursuant to the above, the Company has accounted for the assets and liabilities so transferred at the book value from demerged company along with the portion of retained earnings pertaining to the specified undertaking and have recorded other adjustments as necessary as stipulated in the Scheme which is also in accordance with the relevant accounting standard. Our opinion was not modified in respect of this matter.

- 7) We did not audit the financial information of three subsidiaries as listed in Annexure A(ii), whose share of total assets, total revenues, net cash inflows / (outflows) included in the Restated Consolidated Financial Information, for the relevant periods/years is tabulated below, which have not been audited by us/other auditors, and which has been furnished to us by the Company's management and our opinion on the Restated Consolidated Financial Information, in so far as it relates to the amounts and disclosures included in respect of this component, is based solely on the unaudited financial information furnished by management.

|                              | <b>As at and for the period/year ended</b> |                          |                          |                          |
|------------------------------|--------------------------------------------|--------------------------|--------------------------|--------------------------|
| <b>Particulars</b>           | <b>30 September<br/>2020</b>               | <b>31 March<br/>2020</b> | <b>31 March<br/>2019</b> | <b>31 March<br/>2018</b> |
| Total assets                 | 2.21                                       | 0.90                     | 0.27                     | 0.72                     |
| Total revenue                | 0.04                                       | 2.00                     | 0.37                     | 0.07                     |
| Net cash inflows/ (outflows) | 0.56                                       | 0.08                     | (0.06)                   | (0.13)                   |

In our opinion and according to the information and explanations given to us by the Management, this unaudited financial information is not material to the Group.

Our opinion is not modified in respect of this matter.

- 8) Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:
- have been prepared after incorporating adjustments for the change in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial years ended 31 March 2020, 31 March 2019 and 31 March 2018 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the six months period ended 30 September 2020;
  - have been prepared after incorporating proforma Ind AS adjustments to the audited Indian GAAP standalone financial statements as at and for the years ended 31 March 2019 and 31 March 2018 as described in Note 2.1 to the Restated Consolidated Financial Information;
  - does not contain any qualifications requiring adjustments. However, those qualifications in the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in Annexure VII to the Restated Consolidated Financial Information; and
  - have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.
- 9) The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special Purpose Interim Consolidated Financial Statements and audited financial statements mentioned in paragraph 4 above.
- 10) This report should not in any way be construed as a reissuance 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.

- 11) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 12) Our report is intended solely for use of the Board of Directors for inclusion in the RHP to be filed with SEBI, Stock exchanges and RoC in connection with the proposed IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**

*Chartered Accountants*

ICAI Firm's Registration No: 101248W/W-100022

**Gaurav Mahajan**

*Partner*

Membership No.: 507857

Place: Chandigarh

Date: 19 January 2021

ICAI UDIN: 21507857AAAAAB4653

## Annexure A

### (i) List of Subsidiaries of Nureca Limited

| Name of the Entity                                 | Nature of relation |
|----------------------------------------------------|--------------------|
| Nureca Inc. USA                                    | Subsidiary         |
| Nureca Healthcare Private Limited (refer note a)   | Subsidiary         |
| Nureca Technologies Private Limited (refer note b) | Subsidiary         |

### (ii) Details of entities for the periods/years not audited by us

| Name of the Entity                                 | Nature of relation | Period/Year ended                                                    |
|----------------------------------------------------|--------------------|----------------------------------------------------------------------|
| Nureca Inc. USA                                    | Subsidiary         | 30 September 2020<br>31 March 2020<br>31 March 2019<br>31 March 2018 |
| Nureca Healthcare Private Limited (refer note a)   | Subsidiary         | 30 September 2020                                                    |
| Nureca Technologies Private Limited (refer note b) | Subsidiary         | 30 September 2020                                                    |

Notes:

- (a) Nureca Healthcare Private Limited, a wholly owned subsidiary of the Company was incorporated on 11 August 2020.
- (b) Nureca Technologies Private Limited a wholly owned subsidiary of the Company was incorporated on 13 July 2020

**Nureca Limited**  
**Annexure I - Restated Consolidated Statement of Assets and Liabilities**  
(Amount in INR million, unless otherwise stated)

| Particulars                                                                              | Notes | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|------------------------------------------------------------------------------------------|-------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| <b>Assets</b>                                                                            |       |                            |                        |                                      |                                      |
| <b>(1) Non-current assets</b>                                                            |       |                            |                        |                                      |                                      |
| (a) Property, plant and equipment                                                        | 1     | 4.66                       | 4.55                   | 1.21                                 | 0.20                                 |
| (b) Right-of-use assets                                                                  | 2     | 17.40                      | 6.09                   | 4.23                                 | -                                    |
| (c) Financial assets                                                                     |       |                            |                        |                                      |                                      |
| - Investments                                                                            | 3     | -                          | -                      | 0.00                                 | 0.00                                 |
| - Loans                                                                                  | 4     | 0.39                       | 0.25                   | 0.02                                 | 0.02                                 |
| (d) Deferred tax assets (net)                                                            | 27    | 13.66                      | 0.42                   | 0.09                                 | 0.02                                 |
| <b>Total non-current assets</b>                                                          |       | <b>36.11</b>               | <b>11.31</b>           | <b>5.55</b>                          | <b>0.24</b>                          |
| <b>(2) Current assets</b>                                                                |       |                            |                        |                                      |                                      |
| (a) Inventories                                                                          | 5     | 303.36                     | 164.26                 | 135.49                               | 35.39                                |
| (b) Financial assets                                                                     |       |                            |                        |                                      |                                      |
| -Trade receivables                                                                       | 6     | 40.08                      | 128.97                 | 88.56                                | 16.86                                |
| - Cash and cash equivalents                                                              | 7     | 108.62                     | 0.74                   | 1.11                                 | 0.69                                 |
| - Other bank balances                                                                    | 8     | 443.80                     | -                      | -                                    | -                                    |
| - Other financial assets                                                                 | 9     | 2.74                       | 19.88                  | -                                    | 14.82                                |
| (c) Other current assets                                                                 | 10    | 90.17                      | 13.67                  | 4.47                                 | 2.19                                 |
| <b>Total current assets</b>                                                              |       | <b>988.77</b>              | <b>327.52</b>          | <b>229.63</b>                        | <b>69.95</b>                         |
| <b>Total assets</b>                                                                      |       | <b>1,024.88</b>            | <b>338.83</b>          | <b>235.18</b>                        | <b>70.19</b>                         |
| <b>Equity and liabilities</b>                                                            |       |                            |                        |                                      |                                      |
| <b>(1) Equity</b>                                                                        |       |                            |                        |                                      |                                      |
| (a) Equity share capital                                                                 | 11    | 70.00                      | 0.10                   | 0.10                                 | 0.10                                 |
| (b) Other equity                                                                         | 12    | 446.45                     | 149.24                 | 79.35                                | 17.10                                |
| <b>Total equity</b>                                                                      |       | <b>516.45</b>              | <b>149.34</b>          | <b>79.45</b>                         | <b>17.20</b>                         |
| <b>Liabilities</b>                                                                       |       |                            |                        |                                      |                                      |
| <b>(2) Non- current liabilities</b>                                                      |       |                            |                        |                                      |                                      |
| (a) Financial liabilities                                                                |       |                            |                        |                                      |                                      |
| - Borrowings                                                                             | 13    | 48.95                      | 93.45                  | 2.60                                 | -                                    |
| (b) Provisions                                                                           | 14    | 3.70                       | 1.01                   | 0.29                                 | 0.07                                 |
| <b>Total non-current liabilities</b>                                                     |       | <b>52.65</b>               | <b>94.46</b>           | <b>2.89</b>                          | <b>0.07</b>                          |
| <b>(3) Current liabilities</b>                                                           |       |                            |                        |                                      |                                      |
| (a) Financial liabilities                                                                |       |                            |                        |                                      |                                      |
| - Borrowings                                                                             | 13    | 44.20                      | 0.75                   | -                                    | -                                    |
| -Trade payables                                                                          | 15    |                            |                        |                                      |                                      |
| - total outstanding dues of micro and small enterprises                                  |       | -                          | -                      | -                                    | -                                    |
| - total outstanding dues of creditors other than micro enterprises and small enterprises |       | 182.86                     | 58.31                  | 97.60                                | 52.65                                |
| - Other financial liabilities                                                            | 16    | 6.85                       | 4.16                   | 54.12                                | -                                    |
| (b) Other current liabilities                                                            | 17    | 118.14                     | 8.12                   | 1.03                                 | 0.21                                 |
| (c) Provisions                                                                           | 14    | 0.10                       | 0.08                   | 0.03                                 | 0.01                                 |
| (d) Current tax liabilities (net)                                                        | 18    | 103.63                     | 23.61                  | 0.06                                 | 0.05                                 |
| <b>Total current liabilities</b>                                                         |       | <b>455.78</b>              | <b>95.03</b>           | <b>152.84</b>                        | <b>52.92</b>                         |
| <b>Total liabilities</b>                                                                 |       | <b>508.43</b>              | <b>189.49</b>          | <b>155.73</b>                        | <b>52.99</b>                         |
| <b>Total equity and liabilities</b>                                                      |       | <b>1,024.88</b>            | <b>338.83</b>          | <b>235.18</b>                        | <b>70.19</b>                         |

The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial Information appearing in Annexure VII.

As per our report of even date attached.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm registration number: 101248W/W-100022

For and on behalf of Board of Directors of  
**Nureca Limited**

**Gaurav Mahajan**  
Partner  
Membership Number : 507857

**Saurabh Goyal**  
Managing Director  
DIN : 00136037

**Rajinder Sharma**  
Director  
DIN : 00317133

**Aryan Goyal**  
Chief Executive Officer

**Sakshi Mittal**  
Chief Financial Officer

**Gurvikram Singh**  
Company Secretary  
Membership Number: 60255

Place: Chandigarh  
Date: 19 January 2021

Place: Chandigarh  
Date: 19 January 2021

**Nureca Limited**  
**Annexure II - Restated Consolidated Statement of Profit and Loss**  
(Amount in INR million, unless otherwise stated)

| Particulars                                                                                              | Notes | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year<br>ended 31 March<br>2019 | For the year<br>ended 31 March<br>2018 |
|----------------------------------------------------------------------------------------------------------|-------|--------------------------------------------------------|-------------------------------------|----------------------------------------|----------------------------------------|
| <b>I</b> Revenue from operations                                                                         | 19    | 1,221.45                                               | 994.26                              | 618.97                                 | 200.51                                 |
| <b>II</b> Other income                                                                                   | 20    | 8.28                                                   | 0.61                                | 0.86                                   | 0.18                                   |
| <b>III Total income (I + II)</b>                                                                         |       | <b>1,229.73</b>                                        | <b>994.87</b>                       | <b>619.83</b>                          | <b>200.69</b>                          |
| <b>IV Expenses</b>                                                                                       |       |                                                        |                                     |                                        |                                        |
| Purchase of stock-in-trade                                                                               | 21    | 632.76                                                 | 674.85                              | 501.63                                 | 142.77                                 |
| Changes in inventories of stock-in-trade                                                                 | 22    | (153.86)                                               | (28.82)                             | (100.10)                               | (31.67)                                |
| Employee benefits expense                                                                                | 23    | 10.92                                                  | 31.57                               | 8.87                                   | 3.61                                   |
| Finance costs                                                                                            | 24    | 11.83                                                  | 7.73                                | 2.44                                   | 0.64                                   |
| Depreciation expense                                                                                     | 25    | 1.78                                                   | 3.74                                | 0.57                                   | 0.06                                   |
| Other expenses                                                                                           | 26    | 239.85                                                 | 219.72                              | 118.02                                 | 42.05                                  |
| <b>Total expenses (IV)</b>                                                                               |       | <b>743.28</b>                                          | <b>908.79</b>                       | <b>531.42</b>                          | <b>157.46</b>                          |
| <b>V Profit before tax (III-IV)</b>                                                                      |       | <b>486.45</b>                                          | <b>86.08</b>                        | <b>88.41</b>                           | <b>43.23</b>                           |
| <b>VI Tax expense:</b>                                                                                   |       |                                                        |                                     |                                        |                                        |
| (i) Current tax                                                                                          | 27    | 137.89                                                 | 22.47                               | 26.21                                  | 12.12                                  |
| (ii) Deferred tax                                                                                        | 27    | (13.24)                                                | (0.34)                              | (0.06)                                 | (0.01)                                 |
| <b>Total tax expense</b>                                                                                 |       | <b>124.65</b>                                          | <b>22.13</b>                        | <b>26.15</b>                           | <b>12.11</b>                           |
| <b>VII Profit for the period/year (V-VI)</b>                                                             |       | <b>361.80</b>                                          | <b>63.95</b>                        | <b>62.26</b>                           | <b>31.12</b>                           |
| <b>VIII Other comprehensive income/(loss)</b>                                                            |       |                                                        |                                     |                                        |                                        |
| <b>Items that will not be reclassified to profit or loss</b>                                             |       |                                                        |                                     |                                        |                                        |
| (i) Remeasurement of defined benefit obligation                                                          |       | 0.01                                                   | (0.06)                              | (0.00)                                 | 0.00                                   |
| Income tax relating to remeasurement of defined benefit obligation                                       |       | (0.00)                                                 | 0.01                                | 0.00                                   | (0.00)                                 |
| (ii) Net change in fair value of equity instruments through other comprehensive income                   |       | -                                                      | -                                   | -                                      | -                                      |
| Income tax related to net change in fair value of equity instruments through other comprehensive income  |       | -                                                      | -                                   | -                                      | -                                      |
| <b>Items that will be reclassified to profit or loss</b>                                                 |       |                                                        |                                     |                                        |                                        |
| (i) Exchange differences on translating the financial information of a foreign operation                 |       | 0.00                                                   | 0.01                                | (0.01)                                 | (0.00)                                 |
| Income tax relating to translating the financial information of a foreign operation                      |       | -                                                      | -                                   | -                                      | -                                      |
| (ii) Net change in fair value of equity instruments through other comprehensive income (FVOCI)           |       | -                                                      | (0.00)                              | -                                      | -                                      |
| Income tax relating to net change in fair value of equity instruments through other comprehensive income |       | -                                                      | -                                   | -                                      | -                                      |
| <b>Total other comprehensive income/(loss) for the period/year (net of tax)</b>                          |       | <b>0.01</b>                                            | <b>(0.04)</b>                       | <b>(0.01)</b>                          | <b>(0.00)</b>                          |
| <b>IX Total comprehensive income for the period/year (VII+VIII)</b>                                      |       | <b>361.81</b>                                          | <b>63.91</b>                        | <b>62.24</b>                           | <b>31.12</b>                           |
| <b>Earnings per equity share</b>                                                                         |       |                                                        |                                     |                                        |                                        |
| Basic and diluted [face value of INR 10 each]                                                            | 28    | 51.69                                                  | 9.14                                | 8.89                                   | 4.45                                   |

The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our report of even date attached.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm registration number: 101248W/W-100022

For and on behalf of Board of Directors of  
**Nureca Limited**

**Gaurav Mahajan**  
Partner  
Membership Number : 507857

**Saurabh Goyal**  
Managing Director  
DIN : 00136037

**Rajinder Sharma**  
Director  
DIN : 00317133

**Aryan Goyal**  
Chief Executive Officer

**Sakshi Mittal**  
Chief Financial Officer

**Gurvikram Singh**  
Company Secretary  
Membership Number: 60255

Place: Chandigarh  
Date: 19 January 2021

Place: Chandigarh  
Date: 19 January 2021

Nureca Limited  
Annexure III - Restated Consolidated Statement of Changes in Equity  
(Amount in INR million, unless otherwise stated)

| A Equity share capital<br>Particulars                                           | As at 30 September 2020 |        | As at 31 March 2020 |        | As at 31 March 2019<br>(Proforma) |        | As at 31 March 2018<br>(Proforma) |        |
|---------------------------------------------------------------------------------|-------------------------|--------|---------------------|--------|-----------------------------------|--------|-----------------------------------|--------|
|                                                                                 | Number of shares        | Amount | Number of shares    | Amount | Number of shares                  | Amount | Number of shares                  | Amount |
| Balance at the beginning of the period/year                                     | 10,000                  | 0.10   | 10,000              | 0.10   | 10,000                            | 0.10   | 10,000                            | 0.10   |
| Add: Share capital issued pursuant to scheme of arrangement (refer note 36)     | 1,000,000               | 10.00  | -                   | -      | -                                 | -      | -                                 | -      |
| Less: Share capital cancelled pursuant to scheme of arrangement (refer note 36) | (10,000)                | (0.10) | -                   | -      | -                                 | -      | -                                 | -      |
| Add: Bonus Shares issued during the period/year                                 | 6,000,000               | 60.00  | -                   | -      | -                                 | -      | -                                 | -      |
| Balance at the end of the period/year                                           | 7,000,000               | 70.00  | 10,000              | 0.10   | 10,000                            | 0.10   | 10,000                            | 0.10   |

| B Other equity (Refer note 12)<br>Particulars                     | Share application<br>money pending<br>allotment | Equity share capital<br>pending allotment<br>pursuant to<br>arrangement | Equity share capital<br>pending cancellation<br>pursuant to<br>arrangement | Reserves and surplus |                      | Other comprehensive income              |                                                                                         | Total   |
|-------------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------------------------------|----------------------------------------------------------------------------|----------------------|----------------------|-----------------------------------------|-----------------------------------------------------------------------------------------|---------|
|                                                                   |                                                 |                                                                         |                                                                            | Capital<br>reserve   | Retained<br>earnings | Foreign currency<br>translation reserve | Net change in fair value of<br>equity instruments through<br>other comprehensive income |         |
| Balance as at 1 April 2017 (Proforma)                             | -                                               | 10.00                                                                   | (0.10)                                                                     | (18.89)              | (5.03)               | 0.00                                    | -                                                                                       | (14.02) |
| Total comprehensive income for the year                           |                                                 |                                                                         |                                                                            |                      |                      |                                         |                                                                                         |         |
| Add : Profit for the year                                         | -                                               | -                                                                       | -                                                                          | -                    | 31.12                | -                                       | -                                                                                       | 31.12   |
| Add : Other comprehensive income/loss (net of tax) for the year   | -                                               | -                                                                       | -                                                                          | -                    | 0.00                 | (0.00)                                  | -                                                                                       | (0.00)  |
| Total comprehensive income for the year                           | -                                               | 10.00                                                                   | (0.10)                                                                     | (18.89)              | 26.09                | (0.00)                                  | -                                                                                       | 17.10   |
| Add/Less: Transfer to retained earnings                           | -                                               | -                                                                       | -                                                                          | -                    | -                    | -                                       | -                                                                                       | -       |
| Balance as at 31 March 2018 (Proforma)                            | -                                               | 10.00                                                                   | (0.10)                                                                     | (18.89)              | 26.09                | (0.00)                                  | -                                                                                       | 17.10   |
| Balance as at 1 April 2018 (Proforma)                             | -                                               | 10.00                                                                   | (0.10)                                                                     | (18.89)              | 26.09                | (0.00)                                  | -                                                                                       | 17.10   |
| Total comprehensive income for the year                           |                                                 |                                                                         |                                                                            |                      |                      |                                         |                                                                                         |         |
| Add : Profit for the year                                         | -                                               | -                                                                       | -                                                                          | -                    | 62.26                | -                                       | -                                                                                       | 62.26   |
| Add : Other comprehensive income/loss (net of tax) for the year   | -                                               | -                                                                       | -                                                                          | -                    | (0.00)               | (0.01)                                  | -                                                                                       | (0.01)  |
| Total comprehensive income for the year                           | -                                               | 10.00                                                                   | (0.10)                                                                     | (18.89)              | 88.35                | (0.01)                                  | -                                                                                       | 79.35   |
| Add/Less: Transfer to retained earnings                           | -                                               | -                                                                       | -                                                                          | -                    | -                    | -                                       | -                                                                                       | -       |
| Balance as at 31 March 2019 (Proforma)                            | -                                               | 10.00                                                                   | (0.10)                                                                     | (18.89)              | 88.35                | (0.01)                                  | -                                                                                       | 79.35   |
| Add: Restatement adjustments *                                    | -                                               | -                                                                       | -                                                                          | 5.93                 | 0.05                 | -                                       | -                                                                                       | 5.98    |
| Balance as at 1 April 2019                                        | -                                               | 10.00                                                                   | (0.10)                                                                     | (12.96)              | 88.40                | (0.01)                                  | -                                                                                       | 85.33   |
| Balance as at 1 April 2019                                        | -                                               | 10.00                                                                   | (0.10)                                                                     | (12.96)              | 88.40                | (0.01)                                  | -                                                                                       | 85.33   |
| Total comprehensive income for the year                           |                                                 |                                                                         |                                                                            |                      |                      |                                         |                                                                                         |         |
| Add : Profit for the year                                         | -                                               | -                                                                       | -                                                                          | -                    | 63.95                | -                                       | (0.00)                                                                                  | 63.95   |
| Add : Other comprehensive income/loss (net of tax) for the year   | -                                               | -                                                                       | -                                                                          | -                    | (0.05)               | 0.01                                    | -                                                                                       | (0.04)  |
| Total comprehensive income for the year                           | -                                               | 10.00                                                                   | (0.10)                                                                     | (12.96)              | 152.30               | 0.00                                    | (0.00)                                                                                  | 149.24  |
| Add/Less: Transfer to retained earnings                           | -                                               | -                                                                       | -                                                                          | -                    | (0.00)               | -                                       | 0.00                                                                                    | -       |
| Balance as at 31 March 2020                                       | -                                               | 10.00                                                                   | (0.10)                                                                     | (12.96)              | 152.30               | 0.00                                    | -                                                                                       | 149.24  |
| Balance as at 1 April 2020                                        | -                                               | 10.00                                                                   | (0.10)                                                                     | (12.96)              | 152.30               | 0.00                                    | -                                                                                       | 149.24  |
| Total comprehensive income for the period                         |                                                 |                                                                         |                                                                            |                      |                      |                                         |                                                                                         |         |
| Add : Profit for the period                                       | -                                               | -                                                                       | -                                                                          | -                    | 361.80               | -                                       | -                                                                                       | 361.80  |
| Add : Other comprehensive income/loss (net of tax) for the period | -                                               | -                                                                       | -                                                                          | -                    | 0.01                 | 0.00                                    | -                                                                                       | 0.01    |
| Total comprehensive income for the period                         | -                                               | 10.00                                                                   | (0.10)                                                                     | (12.96)              | 514.11               | 0.00                                    | -                                                                                       | 511.05  |
| Add/Less: Transfer to retained earnings                           | -                                               | -                                                                       | -                                                                          | -                    | -                    | -                                       | -                                                                                       | -       |
| Add: Share capital cancelled pursuant to scheme of arrangement    | -                                               | -                                                                       | 0.10                                                                       | -                    | -                    | -                                       | -                                                                                       | 0.10    |
| Less: Share capital issued pursuant to scheme of arrangement      | -                                               | (10.00)                                                                 | -                                                                          | -                    | -                    | -                                       | -                                                                                       | (10.00) |
| Add: Share application money received during the period           | 5.30                                            | -                                                                       | -                                                                          | -                    | -                    | -                                       | -                                                                                       | 5.30    |
| Less: Bonus Shares issued during the period                       | -                                               | -                                                                       | -                                                                          | -                    | (60.00)              | -                                       | -                                                                                       | (60.00) |
| Balance as at 30 September 2020                                   | 5.30                                            | -                                                                       | -                                                                          | (12.96)              | 454.11               | 0.00                                    | -                                                                                       | 446.45  |

\* The opening balance of retained earnings and capital reserve as at 01 April 2019 is different from the restated closing balances as at 31 March 2019 due to difference in transition date for adoption of Ind AS financial statements being 01 April 2019 and for preparation of proforma numbers in the Restated Consolidated Financial Information being 1 April 2017. Difference in retained earnings and capital reserve is due to following reasons:

a) Capital reserve : Impact on capital reserve of INR 5.93 due to applying the accounting principles mentioned in appendix C of Ind AS 103 on 01 April, 2017 and 01 April 2019 separately.

b) Retained earnings : Increase in right of use asset by INR. 0.05 (net of deferred tax impact of INR 0.02) due to remeasuring the lease liability for remaining period of lease contracts on 01 April 2019 by applying same accounting policy choice as that of 01 April 2017 in accordance with Ind AS 101.

The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our report of even date attached.

For B S R & Co. LLP  
Chartered Accountants  
Firm registration number: 101248W/W-100022

For and on behalf of Board of Directors of  
Nureca Limited.

Gaurav Mahajan  
Partner  
Membership Number : 507857

Saurabh Goyal  
Managing Director  
DIN : 00136037

Rajinder Sharma  
Director  
DIN : 00317133

Aryan Goyal  
Chief Executive Officer

Sakshi Mittal  
Chief Financial Officer

Gurvikram Singh  
Company Secretary  
Membership Number: ACS60255

Place: Chandigarh  
Date: 19 January 2021

Place: Chandigarh  
Date: 19 January 2021



**Nureca Limited**  
**Annexure IV - Restated Consolidated Statement of Cash Flows**  
(Amount in INR million, unless otherwise stated)

| Particulars                                                                              | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|------------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| <b>Cash flows from operating activities</b>                                              |                                                        |                                     |                                                   |                                                   |
| <b>Profit before tax for the period/year</b>                                             | <b>486.45</b>                                          | <b>86.08</b>                        | <b>88.41</b>                                      | <b>43.23</b>                                      |
| <b>Adjustments for:</b>                                                                  |                                                        |                                     |                                                   |                                                   |
| Depreciation expense                                                                     | 1.78                                                   | 3.74                                | 0.56                                              | 0.06                                              |
| Non-current investment written off                                                       | -                                                      | 0.00                                | -                                                 | -                                                 |
| Expected credit loss on trade receivables                                                | -                                                      | 0.56                                | -                                                 | -                                                 |
| Income on unwinding of security deposits                                                 | (0.00)                                                 | (0.02)                              | -                                                 | -                                                 |
| Unrealised foreign exchange (gain) / loss                                                | (0.67)                                                 | (0.18)                              | 0.02                                              | (0.36)                                            |
| Finance costs                                                                            | 11.83                                                  | 7.73                                | 2.43                                              | 0.64                                              |
| Interest income                                                                          | (2.97)                                                 | (0.18)                              | -                                                 | -                                                 |
| <b>Operating cash flows before working capital changes</b>                               | <b>496.42</b>                                          | <b>97.73</b>                        | <b>91.42</b>                                      | <b>43.57</b>                                      |
| <b>Working capital adjustments</b>                                                       |                                                        |                                     |                                                   |                                                   |
| (Increase) in inventories                                                                | (139.10)                                               | (28.77)                             | (100.10)                                          | (31.67)                                           |
| Decrease / (increase) in trade receivables                                               | 88.88                                                  | (40.97)                             | (71.70)                                           | (13.26)                                           |
| Increase / (decrease) in trade payables                                                  | 125.22                                                 | (39.12)                             | 44.90                                             | 33.80                                             |
| (Increase) in Loans                                                                      | (0.14)                                                 | (0.23)                              | -                                                 | -                                                 |
| (Increase) in other current assets                                                       | (56.68)                                                | (23.20)                             | (14.91)                                           | (29.10)                                           |
| (Decrease) / increase in other financial liabilities                                     | -                                                      | (52.42)                             | 52.42                                             | (2.26)                                            |
| Increase / (decrease) in other current liabilities                                       | 110.04                                                 | 7.09                                | 0.83                                              | (0.14)                                            |
| Increase in provisions                                                                   | 2.72                                                   | 0.72                                | 0.25                                              | 0.05                                              |
| <b>Cash generated from / (used in) operating activities</b>                              | <b>627.36</b>                                          | <b>(79.17)</b>                      | <b>3.11</b>                                       | <b>0.99</b>                                       |
| Income tax paid (net)                                                                    | (64.83)                                                | (0.06)                              | (0.05)                                            | (0.00)                                            |
| <b>Net cash generated from / (used in) operating activities ( A )</b>                    | <b>562.53</b>                                          | <b>(79.23)</b>                      | <b>3.06</b>                                       | <b>0.99</b>                                       |
| <b>Cash flows from investing activities</b>                                              |                                                        |                                     |                                                   |                                                   |
| Purchase of property, plant and equipment                                                | (0.67)                                                 | (4.12)                              | (1.19)                                            | (0.18)                                            |
| Interest received                                                                        | 0.23                                                   | 0.18                                | -                                                 | -                                                 |
| Investment in other bank balances                                                        | (443.80)                                               | -                                   | -                                                 | -                                                 |
| <b>Net cash used in investing activities ( B )</b>                                       | <b>(444.24)</b>                                        | <b>(3.94)</b>                       | <b>(1.19)</b>                                     | <b>(0.18)</b>                                     |
| <b>Cash flows from financing activities</b>                                              |                                                        |                                     |                                                   |                                                   |
| Proceeds from share application money pending allotment                                  | 5.30                                                   | -                                   | -                                                 | -                                                 |
| Payment of lease liabilities (including interest)                                        | (1.80)                                                 | (3.36)                              | (0.41)                                            | -                                                 |
| Interest paid                                                                            | (2.59)                                                 | (5.37)                              | (1.03)                                            | (0.03)                                            |
| Repayment of borrowings                                                                  | (54.77)                                                | (7.50)                              | -                                                 | (0.55)                                            |
| Proceeds from borrowings                                                                 | 43.45                                                  | 98.99                               | -                                                 | -                                                 |
| <b>Net cash (used in) / generated from financing activities ( C )</b>                    | <b>(10.41)</b>                                         | <b>82.76</b>                        | <b>(1.44)</b>                                     | <b>(0.58)</b>                                     |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>                    | <b>107.88</b>                                          | <b>(0.41)</b>                       | <b>0.43</b>                                       | <b>0.23</b>                                       |
| Effect of exchange rate fluctuations on cash & cash equivalents held in foreign currency | 0.00                                                   | 0.04                                | (0.01)                                            | (0.00)                                            |
| <b>Cash and cash equivalents at the beginning of the period/year</b>                     | <b>0.74</b>                                            | <b>1.11</b>                         | <b>0.69</b>                                       | <b>0.46</b>                                       |
| <b>Cash and cash equivalents at the end of the period/year</b>                           | <b>108.62</b>                                          | <b>0.74</b>                         | <b>1.11</b>                                       | <b>0.69</b>                                       |
| <b>Components of cash and cash equivalents</b>                                           |                                                        |                                     |                                                   |                                                   |
| Cash on hand                                                                             | -                                                      | 0.00                                | 0.00                                              | 0.00                                              |
| Balances with banks:                                                                     |                                                        |                                     |                                                   |                                                   |
| - In current accounts                                                                    | 108.62                                                 | 0.74                                | 1.11                                              | 0.69                                              |
| <b>Total cash and cash equivalents (Note 7)</b>                                          | <b>108.62</b>                                          | <b>0.74</b>                         | <b>1.11</b>                                       | <b>0.69</b>                                       |

Refer note 13C for changes in liabilities arising from financing activities

**Notes:**

The Restated Consolidated Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

The above annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in annexure V, notes to the Restated Consolidated Financial Information appearing in annexure VI and Statement on Adjustments to Audited Financial Statements appearing in Annexure VII.

As per our report of even date attached.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm registration number: 101248W/W-100022

For and on behalf of Board of Directors of  
**Nureca Limited**

**Gaurav Mahajan**  
Partner  
Membership Number : 507857

**Saurabh Goyal**  
Managing Director  
DIN : 00136037

**Rajinder Sharma**  
Director  
DIN : 00317133

**Aryan Goyal**  
Chief Executive Officer

**Sakshi Mittal**  
Chief Financial Officer

**Gurvikram Singh**  
Company Secretary  
Membership Number: 60255

Place: Chandigarh  
Date: 19 January 2021

Place: Chandigarh  
Date: 19 January 2021

**1. Corporate information**

The Restated Consolidated Financial Information comprise financial information of Nureca Limited, formerly known as Nureca Private Limited ('the Company') and its subsidiaries, (collectively, the Group). The Company was incorporated in India on 02 November 2016 under the provisions of the Companies Act, 2013 (CIN U24304MH2016PLC320868). The Group is engaged in the business of home healthcare and wellness products. During the period, the Company has changed its status from private limited company to public limited company with effect from 08 July 2020. The registered office of the company is located at 128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon E, Mumbai – 400063.

The Restated Consolidated Financial Information was approved for issue by the Company's Board of Directors in their meeting held on 19 January 2021.

**2. Significant accounting policies****2.1 Basis of preparation**

The restated consolidated statement of assets and liabilities of the Group as at 30 September 2020, 31 March 2020, 31 March 2019 and 31 March, 2018, the restated consolidated information of profit and loss (including other comprehensive income), the restated consolidated information of changes in equity and the restated consolidated information of cash flows for each of the period/year ended 30 September 2020, 31 March 2020, 31 March 2019 and 31 March, 2018, and restated other consolidated financial information (together referred as 'Restated Consolidated Financial Information') has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, as amended from time to time, to the extent applicable.

The Restated Consolidated Financial Information have been compiled by the Group from:

1. The audited special purpose interim consolidated financial statements of the Group as at and for the six months period ended 30 September 2020 prepared in accordance with recognition and measurement principles under Indian Accounting Standard ('Ind AS') 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 19 January 2021.
2. The audited consolidated financial statements as at and for the year ended 31 March 2020, which were prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") at the relevant time which was approved by the Board of Directors at their meeting held on 31 July 2020. The management of the Company has adjusted financial information for the year ended 31 March 2020 included in such Indian GAAP financial statements, using recognition and measurement principles of Ind AS, and has included such adjusted financial information as comparative financial information in the financial statements for the six months period ended 30 September 2020.
3. The audited standalone financial statements of the Company as at and for the years ended 31 March 2019 and 31 March 2018 prepared under previous generally accepted accounting principles followed in India ('Previous GAAP' or 'Indian GAAP'), which were approved by the Board of Directors at their meetings held on 26 July 2019 and 5 September 2018 respectively, after incorporating Ind AS adjustments to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on the transition date. Also, refer to note 2.2 and 36.
4. The Restated Consolidated Financial Information for the year ended 31 March 2019 and 31 March 2018 along with respective underlying schedules and notes are "Proforma Restated Consolidated Ind AS Financial Information", and in accordance with the requirements of SEBI/LAD-NRO/GN/2018/31 dated 11 September 2018 ("SEBI Circular") and the Guidance note on Reports in Company Prospectuses (revised 2019) ("Guidance Note"), issued by Institute of Chartered Accountants of India ('ICAI').

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Group has presented an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows (Refer Note 39 to Annexure VI).

The Restated Consolidated Financial Information has been prepared by the management for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with the proposed listing of equity shares of the Company by way of Initial Public Offering ("IPO"), to be filed by the Company with the Securities and Exchange Board of India, Registrar of Companies, Mumbai and the concerned Stock Exchanges in accordance with the requirements of:

- (i) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
- (ii) 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
- (iii) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ('ICAI').

The Restated Consolidated Financial Information has been compiled by the Company from the Audited Financial Statements of the Company and management certified standalone financial information of the subsidiary companies and:

- a. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policies for all the reporting periods;
- b. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;
- c. Other remarks / comments in the Annexure to the Auditor's report on the financial statements of the Company which do not require any corrective adjustments in the Restated Consolidated Financial Information are disclosed in Annexure VII of the Restated Consolidated Financial Information;
- d. adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per consolidated financial statements of the Group as at and for the period ended 30 September 2020 prepared under Ind AS and the requirements of the SEBI Regulations, and
- e. the resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective years to which they relate.

#### Functional and presentation currency

Items included in the Restated Consolidated Financial Information of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Restated Consolidated Financial Information are presented in Indian rupee (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than INR 10,000 have been rounded and are presented as INR 0.00 million in the Restated Consolidated Financial Information.

#### Basis of measurement

The restated Consolidated financial information has been prepared on the historical cost basis except for the following items:

| Items                                                                                                                                                 | Measurement basis                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| Certain financial assets (except trade receivables and contract assets which are measured at transaction cost) and liabilities (including derivative) | Fair value                                    |
| Defined benefits obligation                                                                                                                           | Present value of defined benefits obligations |

## 2.2 Basis of consolidation

The financial information of the Company and its subsidiaries is combined on a line-by-line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

Profits or losses resulting from intra-group transactions are eliminated in full.

### Foreign operations

Revenue items are consolidated at the average rate prevailing during the period / year. All assets and liabilities are converted at rates prevailing at the end of the period / year. Any exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve (FCTR)."

The Restated Consolidated Financial Information have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The carrying amount of the Company's investment in subsidiaries is offset (eliminated) against the Company's portion of equity in subsidiaries.

The detail of consolidated entity as follows:

| Name of subsidiary                     | Country of incorporation | Percentage of ownership #  |                        |                        |                        |
|----------------------------------------|--------------------------|----------------------------|------------------------|------------------------|------------------------|
|                                        |                          | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019 | As at<br>31 March 2018 |
| Nureca Inc.                            | USA                      | 100%                       | 100%                   | 100%                   | 100%                   |
| Nureca Healthcare Private Limited *    | India                    | 100%                       | N.A                    | N.A                    | N.A                    |
| Nureca Technologies Private Limited \$ | India                    | 100%                       | N.A                    | N.A                    | N.A                    |

# Transfer from Nectar Biopharma Private Limited pursuant to the scheme of arrangement which was approved by NCLT on 29 April 2020 (also refer note 36)

\* Incorporated on 11 August 2020

\$ Incorporated on 13 July 2020

## 2.3 Summary of significant accounting policies

A summary of the significant accounting policies applied in the preparation of the Restated Consolidated Financial Information are as given below. These accounting policies have been applied consistently to all periods/years presented in the Restated Consolidated Financial Information.

### 2.3.1 Current vs non-current classification

The Group presents assets and liabilities in the restated consolidated statement of assets and liabilities based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

### **2.3.2 Business combinations**

Ind AS 103, Business Combinations, prescribes significantly different accounting for business combinations which are not under common control and those under common control.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

The pooling of interest method is considered to involve the following:

- (a) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- (b) No adjustments are made to reflect fair values or recognize any new assets or liabilities. The only adjustments that are made are to harmonies accounting policies.
- (c) The financial information in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the Restated Consolidated Financial Information, irrespective of the actual date of the business combination.
- (d) The identity of the reserves has been preserved and appear in the financial information of the transferee in the same form in which they appeared in the financial information of the transferor.
- (e) The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

### **2.3.3 Property, plant and equipment**

#### Recognition and Initial Measurement

Property, plant and equipment is recognized when it is probable that future economic benefits associated with the item will flow to the Group and the cost of each item can be measured reliably. Property, plant and equipment are initially stated at their cost.

Cost of asset includes:

- a) Purchase price, net of any trade discounts and rebates;
- b) Cost directly attributable to the acquisition of the assets which incurred in bringing asset to its working condition for the intended use; and
- c) Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

#### Subsequent measurement

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure is capitalized if it is probable that future economic benefits associated with the expenditure will flow to the Group and cost of the expenditure can be measured reliably.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all the items of property, plant and equipment recognized as at 1 April 2019, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment. The Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. 1 April 2019 while preparing Proforma Restated Consolidated Ind AS Financial Information for the years ended 31 March 2019 and 31 March 2018. Also, refer note 39 of Annexure VI.

Depreciation and useful lives

Depreciation on property, plant and equipment is provided on straight line basis over the estimated useful lives of the assets as specified in schedule II of the Companies Act, 2013.

| Particulars            | Management estimated useful life | Useful life as per Schedule II |
|------------------------|----------------------------------|--------------------------------|
| Computers              | 3 Years                          | 3 Years                        |
| Office Equipment       | 5 Years                          | 5 Years                        |
| Furniture and fixtures | 10 Years                         | 10 Years                       |

Depreciation on additions to/deductions from property, plant and equipment during the period/year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Each part of an item of property, plant and equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the restated consolidated statement of profit and loss when the asset is derecognized.

**2.3.4 Impairment of non-financial assets**

At each reporting date, the Group assesses, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the impairment loss, including impairment on inventories are recognized in the restated consolidated statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU'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 period. Such reversal is recognized in the restated consolidated statement of profit and loss.

### 2.3.5 Inventories

- a) Inventories (which comprise traded goods) are valued at the lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis.
- b) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on an item-by-item basis.

### 2.3.6 Revenue recognition

The specific recognition criteria described below must also be met before revenue is recognized.

#### a) Sale of products

Revenue from sale of products is recognized at the point in time when control of the goods is transferred to the customer at the time of shipment to or receipt of goods by the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The goods and service tax (GST) is not received by the Group on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

#### b) Contract balances

- **Contract assets:** A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.
- **Trade receivables:** A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).
- **Contract liabilities:** A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

#### c) Right of return

Group provides a customer with a right to return in case of any defects or on grounds of quality. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The

requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognizes a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognized for the right to recover products from a customer.

The Group has adopted Ind AS 115 from 1 April 2019 using the modified retrospective approach by applying Ind AS 115 to all the contracts that are not completed on 1 April 2019. The application of Ind AS 115 did not have any material impact on recognition and measurement principles. However, it results in additional presentation and disclosure requirements for the Group. The Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. 1 April 2019 while preparing Proforma Restated Consolidated Ind AS Financial Information for the years ended 31 March 2019 and 31 March 2018.

The Group has also applied the practical expedient under Ind AS 115 for incremental cost of obtaining a contract and has recognized such cost as an expense when incurred if the amortization period of the asset is one year or less.

### **2.3.7 Taxes**

#### **a) Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with relevant tax regulations. Current tax is determined as the tax payable in respect of taxable income for the period/year and is computed in accordance with relevant tax regulations. Current tax is recognized in restated consolidated statement of profit and loss except to the extent it relates to items recognized outside profit or loss in which case it is recognized outside profit or loss (either in other comprehensive income ('OCI') or in equity). Current tax items are recognized in relation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes current tax payable where appropriate.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### **b) Deferred tax**

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

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

Deferred tax is recognized in restated consolidated statement of profit and loss except to the extent it relates to items recognized outside profit or loss, in which case is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.



### 2.3.8 Foreign currencies

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the reporting date are converted to functional currency using the closing rate (Closing selling rates for liabilities and closing buying rate for assets). Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on settlement of monetary items, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the restated consolidated statement of profit and loss in the period/year in which they arise. These exchange differences are presented in the restated consolidated statement of profit and loss on net basis.

### 2.3.9 Employee benefit

#### a) Short-term employee benefits

Employee benefits such as salaries, short term compensated absences, and other benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and undiscounted amount of such benefits are expensed in the restated consolidated statement of profit and loss in the period in which the employee renders the related services.

#### b) Post-employment benefits

- **Defined Contribution Plan:** A defined contribution plan is a plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Group makes specified monthly contribution to the Regional Provident Fund Commissioner towards provident fund and employee state insurance scheme ('ESI') which is a defined contribution plan. The Group's contribution is recognized as an expense in the restated consolidated statement of profit and loss during the period/year in which the employee renders the related service.

- **Defined Benefit Plan:** A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under such plan, the obligation for any benefits remains with the Group. The Group's liability towards gratuity is in the nature of defined benefit plan.

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

The liability in respect of gratuity is accrued in the books of accounts on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method.

The Group's net obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at each reporting date.

Re-measurement, comprising actuarial gains and losses, is recognized in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to restated consolidated statement of profit and loss.

Defined benefit costs comprising current service cost, past service cost, interest cost and gains or losses on settlements are recognized in the restated consolidated statement of profit and loss as employee benefits expense. Gains or losses on settlement of any defined benefit plan are recognized when the settlement occurs. Past service cost is recognized as expense at the earlier of the plan

amendment or curtailment and when the Group recognizes related restructuring costs or termination benefits.

**c) Other long-term employee benefits**

Benefits under the Group's compensated absences constitute other long-term employee benefits, recognized as an expense in the restated consolidated statement of profit and loss for the period in which the employee has rendered services. The obligation recognized in respect of these long-term benefits is measured at present value of the obligation based on actuarial valuation using the Projected Unit credit method.

Long term employee benefit costs comprising current service cost, interest cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognized in the restated consolidated statement of profit and loss as employee benefit expenses.

Certain employees were transferred from Nectar Biopharma Private Limited pursuant to the scheme of arrangement, approved by NCLT on 29 April 2020 (also refer note 36). The process of completing the formalities pertaining to transfer of such employees has been fully completed on 01 September 2020.

**2.3.10 Cash and cash equivalents**

Cash and cash equivalent includes cash on hand, cash at banks and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purpose of the restated consolidated statement of cash flows, cash and cash equivalents consist of unrestricted cash and short-term deposits, as defined above as they are considered an integral part of the Group's cash management.

**2.3.11 Provisions, contingent assets and contingent liabilities**

**a) Provisions**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risk and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**b) Contingent liabilities**

Contingent liabilities are disclosed when there is a possible obligation or present obligations that may but probably will not, require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

These are reviewed at each financial reporting date and adjusted to reflect the current best estimates.

**c) Contingent assets**

Contingent assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

### 2.3.12 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

#### a) Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### i) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the restated consolidated statement of profit and loss.

##### ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in financial liabilities.

##### iii) Short term lease and leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases contracts including lease of residential premises and offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to

be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

#### iv) Single discount rate

The Group has applied the available practical expedient with respect to single discount rate wherein single discount rate is used for portfolio of leases with reasonably similar characteristics.

The Group has given adjustments for lease accounting in accordance with Ind AS 116 from 1 April 2019, and all the related figures have been reclassified/ regrouped to give effect to the requirements of Ind AS 116. The application of Ind AS 116 has resulted into recognition of 'Right-of-Use' asset with a corresponding Lease Liability in the restated consolidated statement of assets and liabilities.

The Group has adopted Ind AS 116 by applying exemption provided under Ind AS 101. Following approach is followed on transition date when applying Ind AS 116 initially:

- a. lease liability is recognized, for leases which were previously classified as operating leases, by measuring the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.
- b. a right-of-use assets is recognized at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the restated consolidated statement of assets and liabilities immediately before the date of initial application

### 2.3.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

#### a) Financial assets

##### Initial recognition and measurement

A financial asset (except trade receivable and contract asset) is recognised initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognised immediately in Restated Consolidated Statement of Profit and Loss.

##### Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period/year the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (designated as FVOCI – equity investment). The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income ('OCI'). There is no recycling of the amounts from OCI to Restated Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Restated Consolidated Statement of Profit and Loss.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

For purposes of subsequent measurement, financial assets are classified in following categories:

*Financial assets at amortised cost*

These assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in Restated Consolidated Statement of Profit and Loss.

*Financial assets at FVTPL*

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in Restated Consolidated Statement of Profit and Loss.

*Equity investments at FVOCI*

These assets are subsequently measured at fair value. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Impairment of financial assets

Expected credit loss (ECL) is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are measured at amortized cost e.g., deposits, trade receivables and bank balance
- (b) Financial assets that are measured as at FVTOCI
- (c) Lease receivables under Ind AS 116
- (d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial

recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the restated consolidated statement of profit and loss. ECL for financial assets measured as at amortized cost and contractual revenue receivables is presented as an allowance, i.e., as an integral part of the measurement of those assets in the restated consolidated statement of assets and liabilities. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

The Group does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

#### Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognized on its restated consolidated statement of assets and liabilities but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

### **b) Financial liabilities**

#### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

##### (i) Financial liabilities at fair value through profit or loss

The Group has not designated any financial liabilities at FVTPL.

##### (ii) Financial liabilities at amortized cost

After initial recognition, borrowings, trade payables and other financial liabilities are subsequently measured at amortized cost using the EIR method. Interest expense is recognized in the restated consolidated statement of profit and loss. Any gain or loss on derecognition is also recognized in the restated consolidated statement of profit and loss.

#### Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the restated consolidated statement of profit and loss.

**c) Reclassification of financial assets and liabilities**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

**d) Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the restated consolidated statement of assets and liabilities if there is a currently enforceable contractual legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

**2.3.14 Fair value measurement**

The Group measures financial instruments at fair value at each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated Financial Information are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted (unadjusted) prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognized in the Restated Consolidated Financial Information on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Above is the summary of accounting policy for fair value. Other fair value related disclosures are given

in the relevant notes.

### **2.3.15 Earnings per share**

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the period/year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period/year. The weighted average number of equity shares outstanding during the period/year is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period/year attributable to equity shareholders and the weighted average number of shares outstanding during the period/year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period/year, unless issued at a later date. Dilutive potential equity shares are determined independently for each period/year presented. The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods/years presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial information by the Board of Directors.

### **2.3.16 Segment reporting**

The business of the Group falls within a single line of business i.e. business of home healthcare and wellness products. All other activities of the Group revolve around its main business. Hence no separate reportable primary segment.

### **2.3.17 Restated consolidated statement of cash flows**

Restated consolidated statements of cash flows is made using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferral accruals of past or future cash receipts or payments and item of income or expense associated with investing or financing of cash flows. The cash flows from operating, financing and investing activities of the Company are segregated.

### **2.3.18 Significant accounting estimates and judgments**

The estimates used in the preparation of the Restated Consolidated Financial Information of each period/year presented are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Group believes to be reasonable under the existing circumstances. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the Group regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the Restated Consolidated Financial Information in the period in which they become known.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Actual results could differ from these estimates.

#### Significant judgements

- ***Allowances for uncollected trade receivables***

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amount are based on ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems not be collectible.



- ***Contingencies***

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. There are certain obligations which management have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in notes. Although, there can be no assurance of the final outcome of legal proceedings in which the Group is involved, it is not expected that such contingencies will have material effect on its financial position of probability.

- ***Impairment of other financial assets***

The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- ***Taxes***

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes current tax payable, based on reasonable estimates. The amount of such current tax payable is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

- ***Recoverability of deferred taxes***

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- ***Impairment of non-financial assets***

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ('DCF') model.

Significant estimates

- ***Defined benefit plans***

The costs of post-retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- ***Useful lives of property, plant and equipment***

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. At the end of the current reporting period, the management determined that the

useful lives of property, plant and equipment at which they are currently being depreciated represent the correct estimate of the lives and need no change.

- ***Leases - Estimating the incremental borrowing rate***

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

- ***Determining the lease term of contracts with renewal and termination options – Group as lessee***

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

- ***Fair value measurement of financial instruments***

When the fair values of financial assets and financial liabilities recorded in the restated consolidated statement of assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Nureca Limited

Annexure VI : Notes to Restated Consolidated Financial Information

(Amount in INR million, unless otherwise stated)

Note 1 - Property, plant and equipment

| Particulars            | Gross carrying amount |           |                                                          |           |                            | Accumulated depreciation |                       |           |                               | Net block             |                               |
|------------------------|-----------------------|-----------|----------------------------------------------------------|-----------|----------------------------|--------------------------|-----------------------|-----------|-------------------------------|-----------------------|-------------------------------|
|                        | As at<br>1 April 2020 | Additions | Additions on account<br>of arrangement<br>(refer note b) | Disposals | As at<br>30 September 2020 | As at<br>1 April 2020    | Charge for the period | Disposals | As at<br>30 September<br>2020 | As at<br>1 April 2020 | As at<br>30 September<br>2020 |
| Furniture and fixtures | 2.09                  | -         | -                                                        | -         | 2.09                       | 0.11                     | 0.10                  | -         | 0.21                          | 1.98                  | 1.88                          |
| Office equipments      | 1.53                  | 0.67      | -                                                        | -         | 2.20                       | 0.25                     | 0.18                  | -         | 0.43                          | 1.28                  | 1.77                          |
| Computers              | 1.95                  | -         | -                                                        | -         | 1.95                       | 0.66                     | 0.28                  | -         | 0.94                          | 1.29                  | 1.01                          |
| Total                  | 5.57                  | 0.67      | -                                                        | -         | 6.24                       | 1.02                     | 0.56                  | -         | 1.58                          | 4.55                  | 4.66                          |

| Particulars            | Gross carrying amount |           |                                                          |           |                        | Accumulated depreciation |                     |           |                        | Net block             |                        |
|------------------------|-----------------------|-----------|----------------------------------------------------------|-----------|------------------------|--------------------------|---------------------|-----------|------------------------|-----------------------|------------------------|
|                        | As at<br>1 April 2019 | Additions | Additions on account<br>of arrangement<br>(refer note b) | Disposals | As at<br>31 March 2020 | As at<br>1 April 2019    | Charge for the year | Disposals | As at<br>31 March 2020 | As at<br>1 April 2019 | As at<br>31 March 2020 |
| Furniture and fixtures | -                     | 2.09      | -                                                        | -         | 2.09                   | -                        | 0.11                | -         | 0.11                   | -                     | 1.98                   |
| Office equipments      | 0.52                  | 1.01      | -                                                        | -         | 1.53                   | 0.03                     | 0.22                | -         | 0.25                   | 0.49                  | 1.28                   |
| Computers              | 0.94                  | 1.01      | -                                                        | -         | 1.95                   | 0.22                     | 0.44                | -         | 0.66                   | 0.72                  | 1.29                   |
| Total                  | 1.46                  | 4.11      | -                                                        | -         | 5.57                   | 0.25                     | 0.77                | -         | 1.02                   | 1.21                  | 4.55                   |

| Particulars            | Gross carrying amount               |           |                                                          |           |                                      | Accumulated depreciation            |                     |           |                                      | Net block                           |                                      |
|------------------------|-------------------------------------|-----------|----------------------------------------------------------|-----------|--------------------------------------|-------------------------------------|---------------------|-----------|--------------------------------------|-------------------------------------|--------------------------------------|
|                        | As at<br>1 April 2018<br>(Proforma) | Additions | Additions on account<br>of arrangement<br>(refer note b) | Disposals | As at<br>31 March 2019<br>(Proforma) | As at<br>1 April 2018<br>(Proforma) | Charge for the year | Disposals | As at<br>31 March 2019<br>(Proforma) | As at<br>1 April 2018<br>(Proforma) | As at<br>31 March 2019<br>(Proforma) |
| Furniture and fixtures | -                                   | -         | -                                                        | -         | -                                    | -                                   | -                   | -         | -                                    | -                                   | -                                    |
| Office equipments      | -                                   | 0.29      | 0.23                                                     | -         | 0.52                                 | -                                   | 0.03                | -         | 0.03                                 | -                                   | 0.49                                 |
| Computers              | 0.26                                | 0.32      | 0.36                                                     | -         | 0.94                                 | 0.06                                | 0.16                | -         | 0.22                                 | 0.20                                | 0.72                                 |
| Total                  | 0.26                                | 0.61      | 0.59                                                     | -         | 1.46                                 | 0.06                                | 0.19                | -         | 0.25                                 | 0.20                                | 1.21                                 |

| Particulars            | Gross carrying amount (refer note a) |           |                                                          |           |                                      | Accumulated depreciation            |                     |           |                                      | Net block                           |                                      |
|------------------------|--------------------------------------|-----------|----------------------------------------------------------|-----------|--------------------------------------|-------------------------------------|---------------------|-----------|--------------------------------------|-------------------------------------|--------------------------------------|
|                        | As at<br>1 April 2017<br>(Proforma)  | Additions | Additions on account<br>of arrangement<br>(refer note b) | Disposals | As at<br>31 March 2018<br>(Proforma) | As at<br>1 April 2017<br>(Proforma) | Charge for the year | Disposals | As at<br>31 March 2018<br>(Proforma) | As at<br>1 April 2017<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
| Furniture and fixtures | -                                    | -         | -                                                        | -         | -                                    | -                                   | -                   | -         | -                                    | -                                   | -                                    |
| Office equipments      | -                                    | -         | -                                                        | -         | -                                    | -                                   | -                   | -         | -                                    | -                                   | -                                    |
| Computers              | 0.08                                 | -         | 0.18                                                     | -         | 0.26                                 | -                                   | 0.06                | -         | 0.06                                 | 0.08                                | 0.20                                 |
| Total                  | 0.08                                 | -         | 0.18                                                     | -         | 0.26                                 | -                                   | 0.06                | -         | 0.06                                 | 0.08                                | 0.20                                 |

Notes:

a. The Group has elected Ind AS 101 exemption to continue with the carrying value for all of its Property, Plant and Equipment as its deemed cost as at the date of transition.

b. These property, plant and equipment have been transferred from Nectar Biopharma Private Limited pursuant to the scheme of arrangement which was approved by NCLT on 29 April 2020 (also refer note 36).

**Nureca Limited****Annexure VI : Notes to Restated Consolidated Financial Information***(Amount in INR million, unless otherwise stated)***Note 2 - Right-of-use assets**

The Group has entered into agreements for leasing office premises on lease. The leases typically run for a period of 1-10 years with lock in term of 3 years after which the lease is subject to termination at the option of lessee or lessor.

a. Information about leases for which the Group is a lessee is presented below :

**Right-of-use assets - Building**

|                                             | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|---------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Balance as at beginning of the period/year  | 6.09                       | 4.23                   | -                                    | -                                    |
| Additions                                   | 15.59                      | 2.19                   | 4.61                                 | -                                    |
| Additions on account of arrangement #       | -                          | 2.64                   | -                                    | -                                    |
| Deletion                                    | (3.06)                     | -                      | -                                    | -                                    |
| Depreciation for the period / year          | (1.22)                     | (2.97)                 | (0.38)                               | -                                    |
| <b>Balance as at end of the period/year</b> | <b>17.40</b>               | <b>6.09</b>            | <b>4.23</b>                          | <b>-</b>                             |

# Transfer from Nectar Biopharma Private Limited pursuant to the scheme of arrangement which was approved by NCLT on 29 April 2020 (also refer note 36)

b. The aggregate depreciation expense on Right-of-use assets is included under depreciation expense in the Restated Consolidated Statement of Profit and Loss.

c. Set out below are the carrying amounts of lease liabilities and the movements during the period/year:

**Lease liabilities included in the statement of consolidated assets and liabilities**

|              | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|--------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Current      | 4.42                       | 3.59                   | 1.70                                 | -                                    |
| Non- current | 12.98                      | 2.71                   | 2.60                                 | -                                    |
| <b>Total</b> | <b>17.40</b>               | <b>6.30</b>            | <b>4.30</b>                          | <b>-</b>                             |

|                                                   | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|---------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| <b>Balance as at beginning of the period/year</b> | <b>6.30</b>                | <b>4.30</b>            | <b>-</b>                             | <b>-</b>                             |
| Additions                                         | 15.58                      | 4.70                   | 4.61                                 | -                                    |
| Deletions                                         | (3.10)                     | -                      | -                                    | -                                    |
| Accreditation of interest                         | 0.42                       | 0.66                   | 0.10                                 | -                                    |
| Payment of lease liabilities                      | (1.80)                     | (3.36)                 | (0.41)                               | -                                    |
| <b>Balance as at end of the period/year</b>       | <b>17.40</b>               | <b>6.30</b>            | <b>4.30</b>                          | <b>-</b>                             |

d. As at period/year end date, the Group is not exposed to future cashflows for extension / termination options, residual value guarantees and leases not commenced to which lessee is committed.

e. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

**Maturity analysis – contractual undiscounted cash flows**

|                                                | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Less than one year                             | 4.42                       | 3.59                   | 1.70                                 | -                                    |
| After one year but not longer than three years | 20.52                      | 3.27                   | 3.18                                 | -                                    |
| <b>Total</b>                                   | <b>24.94</b>               | <b>6.86</b>            | <b>4.88</b>                          | <b>-</b>                             |

f. The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

g. The Group has also taken certain office premises and office equipment on lease with contract terms within one year. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use-assets and lease liabilities for these leases. The expenses relating to short-term leases and /or leases of low-value items for which the recognition exemption has been applied have been charged to the Restated Consolidated Statement of Profit and Loss on straight line basis.

h. The table below provides details regarding amounts recognised in the Restated Consolidated Statement of Profit and Loss:

|                                                                         | For the period<br>1 April 2020 to<br>30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|-------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Expenses relating to short-term leases and/or leases of low-value items | 0.07                                                   | 0.27                                | 0.27                                              | 0.13                                              |
| Variable lease payments                                                 | 0.69                                                   | 2.12                                | 2.10                                              | 0.24                                              |
| Interest on lease liabilities                                           | 0.42                                                   | 0.66                                | 0.10                                              | -                                                 |
| Depreciation expense                                                    | 1.22                                                   | 2.97                                | 0.38                                              | -                                                 |
| <b>Total</b>                                                            | <b>2.40</b>                                            | <b>6.02</b>                         | <b>2.85</b>                                       | <b>0.37</b>                                       |

i. The following are the amounts recognised in Restated Consolidated Statement of Cash Flows:

|                                      | For the period<br>1 April 2020 to<br>30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|--------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| <b>Total cash outflow for leases</b> | <b>2.56</b>                                            | <b>5.75</b>                         | <b>2.78</b>                                       | <b>0.37</b>                                       |

j. For the transitional impact of Ind AS 116 and accounting policy, refer note 2.3.12 of Annexure V - Basis of Preparation and Significant Accounting Policies.

**Note 3 - Investments****Non-current Investments****Unquoted investments (fully paid-up)**

*In Other Companies (at fair value through OCI)*

Nil (31 March 2020: Nil, 31 March 2019: 200, 31 March 2018: 200) equity shares of INR 10/- each fully paid up of Nureca Electronics Limited #

|                                                          | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|----------------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| <b>Total</b>                                             | <b>-</b>                   | <b>-</b>               | <b>0.00 ^</b>                        | <b>0.00 ^</b>                        |
| Aggregate value of unquoted investments                  | -                          | -                      | 0.00 ^                               | 0.00 ^                               |
| Aggregate amount of impairment in value of investments * | -                          | 0.00 ^                 | -                                    | -                                    |

# Transfer from Nectar Biopharma Private Limited pursuant to the scheme of arrangement which was approved by NCLT on 29 April 2020 (also refer note 36)

^ The total value of shares in absolute value was INR 2,000/- but for reporting purpose rounded upto INR 0.00.

\* The Group has identified impairment as at 30 September 2020: INR Nil (31 March 2020: INR 0.00, 31 March 2019: INR Nil, 31 March 2018: INR Nil). The impairment on financial assets is recognised within other comprehensive income and transferred to retained earnings on derecognition of equity instruments. Since amount is not material, it is not separately reflected in the Restated Consolidated Financial Information. Nureca Electronics Limited ceased to exist on 03 December 2019.

**Nureca Limited**  
**Annexure VI : Notes to Restated Consolidated Financial Information**  
*(Amount in INR million, unless otherwise stated)*

**Note 4 - Non-current loans**

|                   | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|-------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Security deposits | 0.39                       | 0.25                   | 0.02                                 | 0.02                                 |
|                   | <b>0.39</b>                | <b>0.25</b>            | <b>0.02</b>                          | <b>0.02</b>                          |

**Break-up for security details:**

|                                               |             |             |             |             |
|-----------------------------------------------|-------------|-------------|-------------|-------------|
| Loans receivables considered good - unsecured | 0.39        | 0.25        | 0.02        | 0.02        |
|                                               | <b>0.39</b> | <b>0.25</b> | <b>0.02</b> | <b>0.02</b> |
| Less: expected credit loss allowance          | -           | -           | -           | -           |
|                                               | <b>0.39</b> | <b>0.25</b> | <b>0.02</b> | <b>0.02</b> |

**Note 5 - Inventories**

*(At lower of cost and net realizable value)*

|                | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|----------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Stock-in-trade | 303.36                     | 164.26                 | 135.49                               | 35.39                                |
|                | <b>303.36</b>              | <b>164.26</b>          | <b>135.49</b>                        | <b>35.39</b>                         |

**Notes:**

Includes goods-in-transit

**Note 6 - Trade receivables**

|                                      | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|--------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| From related parties (refer note 31) | -                          | 10.14                  | 5.63                                 | 2.81                                 |
| From others                          | 40.64                      | 119.39                 | 82.93                                | 14.05                                |
| Less: expected credit loss allowance | (0.56)                     | (0.56)                 | -                                    | -                                    |
|                                      | <b>40.08</b>               | <b>128.97</b>          | <b>88.56</b>                         | <b>16.86</b>                         |

**Break-up for security details:**

|                                                                  |              |               |              |              |
|------------------------------------------------------------------|--------------|---------------|--------------|--------------|
| Trade receivables considered good - secured                      | -            | -             | -            | -            |
| Trade receivables considered good - unsecured                    | 40.08        | 128.97        | 88.56        | 16.86        |
| Trade receivables which have significant increase in credit risk | -            | -             | -            | -            |
| Trade receivables - credit impaired                              | 0.56         | 0.56          | -            | -            |
|                                                                  | <b>40.64</b> | <b>129.53</b> | <b>88.56</b> | <b>16.86</b> |
| Less: expected credit loss allowance                             | (0.56)       | (0.56)        | -            | -            |
|                                                                  | <b>40.08</b> | <b>128.97</b> | <b>88.56</b> | <b>16.86</b> |

**Movement in expected credit loss allowance of trade receivables**

|                                              |             |             |          |          |
|----------------------------------------------|-------------|-------------|----------|----------|
| Balance at the beginning of the period/year  | 0.56        | -           | -        | -        |
| Additions during the period/year             | -           | 0.56        | -        | -        |
| <b>Balance at the end of the period/year</b> | <b>0.56</b> | <b>0.56</b> | <b>-</b> | <b>-</b> |

**Note 7 - Cash and cash equivalents**

|                       | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|-----------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Balances with bank    |                            |                        |                                      |                                      |
| - In current accounts | 108.62                     | 0.74                   | 1.11                                 | 0.69                                 |
| Cash on hand          | -                          | 0.00                   | 0.00                                 | 0.00                                 |
|                       | <b>108.62</b>              | <b>0.74</b>            | <b>1.11</b>                          | <b>0.69</b>                          |

**For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:**

|                       |               |             |             |             |
|-----------------------|---------------|-------------|-------------|-------------|
| Balances with bank:   |               |             |             |             |
| - In current accounts | 108.62        | 0.74        | 1.11        | 0.69        |
| Cash on hand          | -             | 0.00        | 0.00        | 0.00        |
|                       | <b>108.62</b> | <b>0.74</b> | <b>1.11</b> | <b>0.69</b> |

**Note 8 - Other bank balances**

|                                                                                            | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|--------------------------------------------------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Earmarked balanaces with bank *                                                            | 5.30                       | -                      | -                                    | -                                    |
| Bank deposits with original maturity of more than three months but less than twelve months | 438.50                     | -                      | -                                    | -                                    |
|                                                                                            | <b>443.80</b>              | <b>-</b>               | <b>-</b>                             | <b>-</b>                             |

\*Includes INR 5.30 (31 March 2020: INR Nil, 31 March 2019: INR Nil, 31 March 2018: INR Nil) towards share application money for issue of shares under preferential allotment. The funds are received in an escrow account and are restricted till the allotment of equity shares.

**Note 9 - Other financial assets**

|                                                       | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|-------------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Recoverable on account of arrangement (refer note 36) | -                          | 19.88                  | -                                    | 14.82                                |
| Interest accrued not due on fixed deposits            | 2.74                       | -                      | -                                    | -                                    |
|                                                       | <b>2.74</b>                | <b>19.88</b>           | <b>-</b>                             | <b>14.82</b>                         |

**Note 10 - Other current assets**

|                                                           | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|-----------------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Balances with government authorities                      | 44.03                      | 3.13                   | 1.29                                 | 0.25                                 |
| Prepaid expenses                                          | -                          | -                      | 0.06                                 | -                                    |
| Advances to employees                                     | 0.13                       | 0.10                   | -                                    | -                                    |
| Advances to suppliers                                     | 31.02                      | 10.35                  | 3.12                                 | 1.87                                 |
| Expenses recoverable from related parties (refer note 31) | 0.18                       | 0.04                   | -                                    | 0.07                                 |
| Right to recover returned goods                           | 14.81                      | 0.05                   | -                                    | -                                    |
|                                                           | <b>90.17</b>               | <b>13.67</b>           | <b>4.47</b>                          | <b>2.19</b>                          |

**Nureca Limited**  
**Annexure VI : Notes to Restated Consolidated Financial Information**  
*(Amount in INR million, unless otherwise stated)*

**Note 11 - Equity share capital**

|                                                                                                                              | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| <b>Authorised</b>                                                                                                            |                            |                        |                                      |                                      |
| 11,000,000 (31 March 2020: 10,000, 31 March 2019: 10,000, 31 March 2018: 10,000) equity shares of INR 10 each #              | 110.00                     | 0.10                   | 0.10                                 | 0.10                                 |
| <b>Issued, subscribed and paid-up</b>                                                                                        |                            |                        |                                      |                                      |
| 7,000,000 (31 March 2020: 10,000, 31 March 2019: 10,000, 31 March 2018: 10,000) equity shares of INR 10 each fully paid up # | 70.00                      | 0.10                   | 0.10                                 | 0.10                                 |

# Also, refer note 36.

**a) Rights, preferences and restrictions attached to equity shares**

As per the memorandum of association, the Company's authorised share capital consist of equity shares. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Shareholders are entitled to one vote per equity share held in the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

**b) Reconciliation of the number of equity shares outstanding at the beginning and end of the reporting year:**

|                                                               | As at 30 September 2020 |              | As at 31 March 2020 |             | As at 31 March 2019<br>(Proforma) |             | As at 31 March 2018<br>(Proforma) |             |
|---------------------------------------------------------------|-------------------------|--------------|---------------------|-------------|-----------------------------------|-------------|-----------------------------------|-------------|
|                                                               | No. of shares           | Amount       | No. of shares       | Amount      | No. of shares                     | Amount      | No. of shares                     | Amount      |
| Balance at the beginning of the period/year                   | 10,000                  | 0.10         | 10,000              | 0.10        | 10,000                            | 0.10        | 10,000                            | 0.10        |
| Add: shares issued during the period/year (refer note 36)     | 1,000,000               | 10.00        | -                   | -           | -                                 | -           | -                                 | -           |
| Less: shares cancelled during the period/year (refer note 36) | 10,000                  | 0.10         | -                   | -           | -                                 | -           | -                                 | -           |
| Add: bonus shares issued during the period/year               | 6,000,000               | 60.00        | -                   | -           | -                                 | -           | -                                 | -           |
| <b>Balance at the end of the period/year</b>                  | <b>7,000,000</b>        | <b>70.00</b> | <b>10,000</b>       | <b>0.10</b> | <b>10,000</b>                     | <b>0.10</b> | <b>10,000</b>                     | <b>0.10</b> |

**c) Details of shareholders holding more than 5 percent equity shares in the Company:**

|                                   | As at 30 September 2020 |                           | As at 31 March 2020 |                           | As at 31 March 2019<br>(Proforma) |                           | As at 31 March 2018<br>(Proforma) |                           |
|-----------------------------------|-------------------------|---------------------------|---------------------|---------------------------|-----------------------------------|---------------------------|-----------------------------------|---------------------------|
|                                   | No. of Shares           | % holding in<br>the class | No. of Shares       | % holding in<br>the class | No. of Shares                     | % holding in the<br>class | No. of Shares                     | % holding in the<br>class |
| Nectar Biopharma Private Limited* | 14                      | 0.00                      | 10,000              | 100.00                    | 10,000                            | 100.00                    | 10,000                            | 100.00                    |
| Payal Goyal                       | 3,499,979               | 50.00                     | -                   | -                         | -                                 | -                         | -                                 | -                         |
| Saurabh Goyal                     | 3,499,979               | 50.00                     | -                   | -                         | -                                 | -                         | -                                 | -                         |
|                                   | <b>6,999,972</b>        | <b>100.00</b>             | <b>10,000</b>       | <b>100.00</b>             | <b>10,000</b>                     | <b>100.00</b>             | <b>10,000</b>                     | <b>100.00</b>             |

\* Including Nil (31 March 2020: 1, 31 March 2019: 1 and 31 March 2018: 1) equity share held in the name of Mr. Saurabh Goyal as a nominee shareholder as per proviso to section 187 (1) of the Companies Act, 2013.

**d) Aggregate number of shares allotted or fully paid up from the date of incorporation i.e 2 November 2016 till the reporting date pursuant to contract without payment received in cash and/or by way of fully paid bonus shares**

| Particulars                                           | Numbers of shares |               |                             |                             |                            |
|-------------------------------------------------------|-------------------|---------------|-----------------------------|-----------------------------|----------------------------|
|                                                       | 30 September 2020 | 31 March 2020 | 31 March 2019<br>(Proforma) | 31 March 2018<br>(Proforma) | 1 April 2017<br>(Proforma) |
| Shares allotted as per approved scheme of arrangement |                   | 1,000,000     | -                           | -                           | -                          |
| Bonus shares issued                                   |                   | 6,000,000     | -                           | -                           | -                          |

Note:- As per approval of Honorable National Company Law Tribunal ('NCLT') for the scheme of arrangement ('Scheme') among Nectar Biopharma Private Limited (demerged company) and Nureca Private Limited (resulting company) and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act 2013, with effect from appointed date of 1 April 2019, the Company cancelled 10,000 shares and issued 1,000,000 shares for consideration other than cash on 10 June 2020.

**Note 12 - Other equity**

|                                                                                                                  | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| <b>a Share application money pending allotment</b>                                                               |                            |                        |                                      |                                      |
| Balance at the beginning of the period/year                                                                      | -                          | -                      | -                                    | -                                    |
| Share application money received during the period/year                                                          | 5.30                       | -                      | -                                    | -                                    |
| Balance at the end of the period/year                                                                            | <b>5.30</b>                | -                      | -                                    | -                                    |
| <b>b Equity share capital pending allotment pursuant to arrangement (refer note 36)</b>                          |                            |                        |                                      |                                      |
| Balance at the beginning of the period/year                                                                      | 10.00                      | 10.00                  | 10.00                                | 10.00                                |
| Movement during the period/year                                                                                  | (10.00)                    | -                      | -                                    | -                                    |
| Balance at the end of the period/year                                                                            | <b>-</b>                   | <b>10.00</b>           | <b>10.00</b>                         | <b>10.00</b>                         |
| <b>c Equity share capital pending cancellation pursuant to arrangement (refer note 36)</b>                       |                            |                        |                                      |                                      |
| Balance at the beginning of the period/year                                                                      | (0.10)                     | (0.10)                 | (0.10)                               | (0.10)                               |
| Movement during the period/year                                                                                  | 0.10                       | -                      | -                                    | -                                    |
| Balance at the end of the period/year                                                                            | <b>-</b>                   | <b>(0.10)</b>          | <b>(0.10)</b>                        | <b>(0.10)</b>                        |
| <b>d Capital reserve**</b>                                                                                       |                            |                        |                                      |                                      |
| Balance at the beginning of the period/year                                                                      | (12.96)                    | (12.96)                | (18.89)                              | (18.89)                              |
| Movement during the period/year                                                                                  | -                          | -                      | -                                    | -                                    |
| Balance at the end of the period/year                                                                            | <b>(12.96)</b>             | <b>(12.96)</b>         | <b>(18.89)</b>                       | <b>(18.89)</b>                       |
| <b>e Retained earnings**</b>                                                                                     |                            |                        |                                      |                                      |
| Balance at the beginning of the period/year                                                                      | 152.30                     | 88.40                  | 26.09                                | (5.03)                               |
| Add: Profit for the period/year                                                                                  | 361.80                     | 63.95                  | 62.26                                | 31.12                                |
| Add: Other comprehensive (loss)/ income for the period/year (remeasurement of defined benefit plans, net of tax) | 0.01                       | (0.05)                 | (0.00)                               | 0.00                                 |
| Less: equity instruments derecognised during the period/year (refer note g below)                                | -                          | (0.00)                 | -                                    | -                                    |
| Less: bonus shares issued during the period/year                                                                 | (60.00)                    | -                      | -                                    | -                                    |
| Balance at the end of the period/year                                                                            | <b>454.11</b>              | <b>152.30</b>          | <b>88.35</b>                         | <b>26.09</b>                         |
| <b>f Foreign currency translation reserve</b>                                                                    |                            |                        |                                      |                                      |
| Balance at the beginning of the period/year                                                                      | 0.00                       | (0.01)                 | (0.00)                               | 0.00                                 |
| Less: Movement during the period/year                                                                            | 0.00                       | 0.01                   | (0.01)                               | (0.00)                               |
| Balance at the end of the period/year                                                                            | <b>0.00</b>                | <b>0.00</b>            | <b>(0.01)</b>                        | <b>(0.00)</b>                        |
| <b>g Net change in fair value of equity instruments through other comprehensive income</b>                       |                            |                        |                                      |                                      |
| Balance at the beginning of the period/year                                                                      | -                          | -                      | -                                    | -                                    |
| Less: Movement during the period/year                                                                            | -                          | (0.00)                 | -                                    | -                                    |
| Add: Transferred to retained earnings                                                                            | -                          | 0.00                   | -                                    | -                                    |
| Balance at the end of the period/year                                                                            | <b>-</b>                   | <b>-</b>               | <b>-</b>                             | <b>-</b>                             |
| <b>Total</b>                                                                                                     | <b>446.45</b>              | <b>149.24</b>          | <b>79.35</b>                         | <b>17.10</b>                         |

\*\* The opening balance of retained earnings and capital reserve as at 01 April, 2019 is different from the restated closing balance as at 31 March 2019 due to difference in transition date for adoption of Ind AS financial statements (i.e 01 April 2019) and for preparation of Restated Consolidated Financial Information (i.e 1 April 2017). Difference in retained earnings and capital reserve is due to following reasons :

a) Capital reserve : Impact on capital reserve of INR 5.93 due to applying the accounting principles mentioned in appendix C of Ind AS 103 on 01 April 2017 and 01 April 2019 separately.

b) Retained earnings : Increase in right-of-use asset by INR 0.05 (net of deferred tax impact of INR 0.02) due to remeasuring the lease liability for remaining period of lease contracts on 01 April 2019 by applying same accounting policy choice as that of 01 April 2017 in accordance with Ind AS 101.

**Nureca Limited**  
**Annexure VI : Notes to Restated Consolidated Financial Information**  
*(Amount in INR million, unless otherwise stated)*

**Nature of reserves**

**a. Share application money pending allotment**

Share application money pending allotment represents monies received against shares pending to be issued as at 30 September 2020.

**b. Equity share capital pending allotment pursuant to arrangement**

Equity share capital pending allotment pursuant to arrangement is on account of the business combination under common control as per the Court approved scheme which have been allotted on 10 June 2020. Also, refer note 36.

**c. Equity share capital pending cancellation pursuant to arrangement**

Equity share capital pending cancellation pursuant to arrangement is on account of the business combination under common control as per the Court approved scheme which have been cancelled on 10 June 2020. Also, refer note 36.

**d. Capital reserve**

Capital reserve is on account of the business combination under common control as per the Court approved scheme.

**e. Retained earnings**

Retained earnings comprises of undistributed earnings after taxes.

**f. Foreign currency translation reserve**

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the Group disposes or partially disposes off its interest in a foreign operation through sale, liquidation, repayment of share capital or abandonment of all, or part of, that entity.

**g. Equity instruments through other comprehensive income**

The Group has elected to recognize changes in the fair value of certain investments in equity securities in OCI. These changes are accumulated within the equity instrument through OCI within equity. The Group transfers amount therefrom to retained earnings when the relevant equity securities are derecognized.

**Note 13 - Borrowings**

**A. Non-current borrowings**

|                                                                     | Notes | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|---------------------------------------------------------------------|-------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| <i>Unsecured</i>                                                    |       |                            |                        |                                      |                                      |
| Deposits from directors & their relatives (refer note 31)           | (a)   | 35.97                      | 90.74                  | -                                    | -                                    |
| Lease liabilities (refer note 2)                                    |       | 17.40                      | 6.30                   | 4.30                                 | -                                    |
| <b>Total non-current borrowings (including current maturities)</b>  |       | <b>53.37</b>               | <b>97.04</b>           | <b>4.30</b>                          | <b>-</b>                             |
| Less: current maturities of lease liabilities (refer note 2 and 16) | (b)   | (4.42)                     | (3.59)                 | (1.70)                               | -                                    |
|                                                                     |       | <b>48.95</b>               | <b>93.45</b>           | <b>2.60</b>                          | <b>-</b>                             |

**Notes:**

(a) Deposits from directors & their relatives carry interest rate of 8% (31 March 2020: 8%, 31 March 2019: Nil, 31 March 2018: Nil) per annum and are repayable by 31 March 2023.

(b) Current and non-current classification is based on contractual maturities.

**B. Current borrowings**

|                                        | Notes | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|----------------------------------------|-------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| <i>Unsecured</i>                       |       |                            |                        |                                      |                                      |
| Inter corporate deposits               |       |                            |                        |                                      |                                      |
| - from related parties (refer note 31) | (c)   | 2.20                       | 0.75                   | -                                    | -                                    |
| - from others                          | (d)   | 42.00                      | -                      | -                                    | -                                    |
|                                        |       | <b>44.20</b>               | <b>0.75</b>            | <b>-</b>                             | <b>-</b>                             |

**Notes:**

(c) Inter corporate deposits from related parties include deposit of INR 1.46 (31 March 2020: Nil, 31 March 2019: Nil, 31 March 2018: Nil) from Trumom Private Limited carrying interest rate of 6% (31 March 2020: Nil, 31 March 2019: Nil, 31 March 2018: Nil) per annum and are repayable by 10 April 2021 and deposit of INR 0.74 (31 March 2020: INR 0.75, 31 March 2019: Nil, 31 March 2018: Nil) from Nectar Biopharma Private Limited carrying interest rate of 6% (31 March 2020: Nil, 31 March 2019: Nil, 31 March 2018: Nil) per annum and are repayable by 31 March 2023.

(d) Inter corporate deposits from others carry interest rate of 14% (31 March 2020: Nil, 31 March 2019: Nil, 31 March 2018: Nil) per annum and are repayable by 20 January 2021.

**C. Reconciliation of movements of liabilities to cash flows arising from financing activities**

|                                                                                      | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|--------------------------------------------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Borrowings at the beginning of the period/year (current and non-current borrowings)  | 97.79                      | 4.30                   | -                                    | -                                    |
| Proceeds from non-current borrowings                                                 | 43.45                      | 98.99                  | -                                    | -                                    |
| Repayments of non-current borrowings                                                 | (54.77)                    | (7.50)                 | -                                    | -                                    |
| Interest on lease liabilities                                                        | 0.42                       | 0.66                   | 0.10                                 | -                                    |
| Additions to lease liabilities                                                       | 15.59                      | 4.70                   | 4.61                                 | -                                    |
| Deletion to lease liabilities                                                        | (3.10)                     | -                      | -                                    | -                                    |
| Payment of lease liabilities (including interest)                                    | (1.80)                     | (3.36)                 | (0.41)                               | -                                    |
| <b>Borrowings at the end of the period/year (current and non-current borrowings)</b> | <b>97.57</b>               | <b>97.79</b>           | <b>4.30</b>                          | <b>-</b>                             |

**Note 14 - Provisions**

**A. Non-current**

*Provision for employee benefits:*

Provision for compensated absences

Provision for gratuity (refer note 30)

|                                        | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|----------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Provision for compensated absences     | 0.87                       | 0.31                   | 0.16                                 | 0.04                                 |
| Provision for gratuity (refer note 30) | 2.83                       | 0.70                   | 0.13                                 | 0.03                                 |
|                                        | <b>3.70</b>                | <b>1.01</b>            | <b>0.29</b>                          | <b>0.07</b>                          |

**B. Current**

*Provision for employee benefits:*

Provision for compensated absences

Provision for gratuity (refer note 30)

|                                        | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|----------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Provision for compensated absences     | 0.09                       | 0.08                   | 0.03                                 | 0.01                                 |
| Provision for gratuity (refer note 30) | 0.01                       | 0.00                   | 0.00                                 | 0.00                                 |
|                                        | <b>0.10</b>                | <b>0.08</b>            | <b>0.03</b>                          | <b>0.01</b>                          |
|                                        | <b>3.80</b>                | <b>1.09</b>            | <b>0.32</b>                          | <b>0.08</b>                          |

**Note 15 - Trade payables**

|                                                                              | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|------------------------------------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Total outstanding dues of micro and small enterprises                        | -                          | -                      | -                                    | -                                    |
| Total outstanding dues of creditors other than micro and small enterprises # | 182.86                     | 58.31                  | 97.60                                | 52.65                                |
|                                                                              | <b>182.86</b>              | <b>58.31</b>           | <b>97.60</b>                         | <b>52.65</b>                         |

Also, the Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. Refer note 32 for the disclosure in respect of amounts payable to such enterprises as at period/year end that has been made in the financial information based on information available with the Group.

# Refer note 31

**Nureca Limited**  
**Annexure VI : Notes to Restated Consolidated Financial Information**  
*(Amount in INR million, unless otherwise stated)*

**Note 16 - Other financial liabilities**

|                                                               | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|---------------------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Current maturities of lease liabilities (refer note 2 and 13) | 4.42                       | 3.59                   | 1.70                                 | -                                    |
| Interest accrued but not due on borrowings (refer note 31)    | 2.43                       | 0.57                   | -                                    | -                                    |
| Payable on account of arrangement (refer note 36)             | -                          | -                      | 52.42                                | -                                    |
|                                                               | <b>6.85</b>                | <b>4.16</b>            | <b>54.12</b>                         | <b>-</b>                             |

**Note 17 - Other current liabilities**

|                         | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|-------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Contract liability      | 36.98                      | 3.76                   | 0.09                                 | 0.01                                 |
| Statutory liabilities # | 12.86                      | 2.09                   | 0.04                                 | 0.01                                 |
| Refund liability        | 64.96                      | 0.09                   | -                                    | -                                    |
| Payable to employees    | 3.34                       | 2.07                   | 0.84                                 | 0.13                                 |
| Others                  | -                          | 0.11                   | 0.06                                 | 0.06                                 |
|                         | <b>118.14</b>              | <b>8.12</b>            | <b>1.03</b>                          | <b>0.21</b>                          |

# Pursuant to recent judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages for the purpose of provident fund, to include special allowances which are common for all employees. However there is uncertainty with respect to the applicable of the judgement and period from which the same applies. The Group has estimated the impact of the same from post 28 February 2019 and recognised in the financial statement. Owing to the aforesaid uncertainty and pending clarification from the authority in this regard, the Group has not recognised any provision for the period prior to date of judgement. Further management also believes that the impact of the same on the Group will not be material.

**Note 18 - Current tax liabilities (net)**

|                                                                                                                                      | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|--------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Current tax liabilities (net of advance tax of INR 64.83 (31 March 2020: INR 0.13, 31 March 2019: INR 0.06, 31 March 2018: INR 0.00) | 103.63                     | 23.61                  | 0.06                                 | 0.05                                 |
|                                                                                                                                      | <b>103.63</b>              | <b>23.61</b>           | <b>0.06</b>                          | <b>0.05</b>                          |

**Note 19 - Revenue from operations**

|                  | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Sale of products | 1,221.45                                               | 994.26                              | 618.97                                            | 200.51                                            |
|                  | <b>1,221.45</b>                                        | <b>994.26</b>                       | <b>618.97</b>                                     | <b>200.51</b>                                     |

**Notes:**

**a. Reconciliation of revenue recognized with the contract price is as follows:**

|                           |                 |               |               |               |
|---------------------------|-----------------|---------------|---------------|---------------|
| Contract price            | 1,369.05        | 1,034.13      | 637.49        | 200.51        |
| Adjustments for:          |                 |               |               |               |
| - Discounts and rebates   | 82.64           | 39.78         | 18.52         | -             |
| - Refund liability        | 64.96           | 0.09          | -             | -             |
| <b>Revenue recognised</b> | <b>1,221.45</b> | <b>994.26</b> | <b>618.97</b> | <b>200.51</b> |

**b. Contract Balances**

|                                                                       |                |               |              |              |
|-----------------------------------------------------------------------|----------------|---------------|--------------|--------------|
| Receivables, which are included in 'trade receivables'                | 40.08          | 128.97        | 88.56        | 16.86        |
| Contract liability, which are included in 'other current liabilities' | (36.98)        | (3.76)        | (0.09)       | (0.01)       |
| Refund liability, which are included in 'other current liabilities'   | (64.96)        | (0.09)        | -            | -            |
|                                                                       | <b>(61.86)</b> | <b>125.12</b> | <b>88.47</b> | <b>16.85</b> |

Note: Considering the nature of business of the Group, the above contract liability are generally materialised as revenue within the same operating cycle.

**d. Revenue from sale of products disaggregated by primary geographical market**

|                                                    |                 |               |               |               |
|----------------------------------------------------|-----------------|---------------|---------------|---------------|
| India                                              | 1,221.45        | 994.26        | 618.97        | 200.44        |
| Outside India                                      | -               | -             | -             | 0.07          |
| <b>Total revenue from contracts with customers</b> | <b>1,221.45</b> | <b>994.26</b> | <b>618.97</b> | <b>200.51</b> |

**Note 20 - Other income**

|                                                     | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|-----------------------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Interest income                                     |                                                        |                                     |                                                   |                                                   |
| - on bank deposits                                  | 2.97                                                   | -                                   | -                                                 | -                                                 |
| - on financial assets measured at amortized cost    | -                                                      | 0.18                                | -                                                 | -                                                 |
| Exchange gain on foreign exchange fluctuation (net) | 5.22                                                   | 0.41                                | 0.85                                              | 0.18                                              |
| Income on unwinding of security deposit             | 0.00                                                   | 0.02                                | -                                                 | -                                                 |
| Miscellaneous income                                | 0.09                                                   | -                                   | 0.01                                              | -                                                 |
|                                                     | <b>8.28</b>                                            | <b>0.61</b>                         | <b>0.86</b>                                       | <b>0.18</b>                                       |

**Note 21 - Purchase of stock-in-trade**

|                            | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|----------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Purchase of stock-in-trade | 632.76                                                 | 674.85                              | 501.63                                            | 142.77                                            |
|                            | <b>632.76</b>                                          | <b>674.85</b>                       | <b>501.63</b>                                     | <b>142.77</b>                                     |

**Note 22 - Changes in inventories of stock-in-trade**

|                                   | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|-----------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Opening balance                   |                                                        |                                     |                                                   |                                                   |
| - Stock-in-trade                  | 164.26                                                 | 135.49                              | 35.39                                             | 3.72                                              |
| - Right to recover returned goods | 0.05                                                   | -                                   | -                                                 | -                                                 |
| Closing balance                   |                                                        |                                     |                                                   |                                                   |
| - Stock-in-trade                  | (303.36)                                               | (164.26)                            | (135.49)                                          | (35.39)                                           |
| - Right to recover returned goods | (14.81)                                                | (0.05)                              | -                                                 | -                                                 |
|                                   | <b>(153.86)</b>                                        | <b>(28.82)</b>                      | <b>(100.10)</b>                                   | <b>(31.67)</b>                                    |



**Nureca Limited**  
**Annexure VI : Notes to Restated Consolidated Financial Information**  
(Amount in INR million, unless otherwise stated)

**Note 23 - Employee benefits expense**

|                                                           | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|-----------------------------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Salaries and wages (refer note 38)                        | 10.67                                                  | 30.72                               | 8.47                                              | 3.51                                              |
| Contribution to provident and other funds (refer note 30) | 0.21                                                   | 0.72                                | 0.36                                              | 0.10                                              |
| Staff welfare expenses                                    | 0.04                                                   | 0.13                                | 0.04                                              | 0.00                                              |
|                                                           | <b>10.92</b>                                           | <b>31.57</b>                        | <b>8.87</b>                                       | <b>3.61</b>                                       |

**Note 24 - Finance costs**

|                                                                       | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|-----------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Interest expense on financial liabilities measured at amortised cost: |                                                        |                                     |                                                   |                                                   |
| - on borrowings                                                       | 3.73                                                   | 3.57                                | 1.02                                              | 0.03                                              |
| - on lease liabilities                                                | 0.42                                                   | 0.66                                | 0.10                                              | -                                                 |
| Interest expense on income tax                                        | 6.96                                                   | -                                   | -                                                 | -                                                 |
| Other borrowing cost                                                  | 0.72                                                   | 3.50                                | 1.31                                              | 0.61                                              |
|                                                                       | <b>11.83</b>                                           | <b>7.73</b>                         | <b>2.44</b>                                       | <b>0.64</b>                                       |

**Note 25 - Depreciation expense**

|                                               | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|-----------------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Depreciation on property, plant and equipment | 0.56                                                   | 0.77                                | 0.19                                              | 0.06                                              |
| Depreciation on right-of-use assets           | 1.22                                                   | 2.97                                | 0.38                                              | -                                                 |
|                                               | <b>1.78</b>                                            | <b>3.74</b>                         | <b>0.57</b>                                       | <b>0.06</b>                                       |

**Note 26 - Other expenses**

|                                                   | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|---------------------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Advertisement                                     | 20.13                                                  | 31.31                               | 23.12                                             | 2.49                                              |
| Insurance                                         | 0.60                                                   | 0.38                                | 0.16                                              | 0.01                                              |
| Communication expenses                            | 0.10                                                   | 0.46                                | 0.42                                              | 0.15                                              |
| Legal and professional fee (refer note (a) below) | 7.48                                                   | 8.30                                | 0.97                                              | 0.51                                              |
| Rent                                              | 0.76                                                   | 2.39                                | 2.37                                              | 0.37                                              |
| Travel and conveyance                             | 0.01                                                   | 2.97                                | 0.12                                              | 0.33                                              |
| Shifting and handling expenses                    | 5.96                                                   | 9.37                                | 2.50                                              | 0.64                                              |
| Security services                                 | 0.28                                                   | 0.44                                | 0.46                                              | 0.11                                              |
| Expected credit loss on trade receivables         | -                                                      | 0.56                                | -                                                 | -                                                 |
| Commission and incentive                          | 62.35                                                  | 87.80                               | 61.94                                             | 30.96                                             |
| Packing expenses                                  | 5.41                                                   | 15.06                               | -                                                 | 0.03                                              |
| Repairs and maintenance                           | 0.71                                                   | 1.78                                | 0.23                                              | 0.10                                              |
| Rates and taxes                                   | 2.16                                                   | 1.99                                | 0.46                                              | 0.69                                              |
| Power and fuel                                    | 0.02                                                   | 0.38                                | 0.20                                              | 0.06                                              |
| Freight charges                                   | 9.63                                                   | 50.92                               | 18.70                                             | 4.98                                              |
| CSR expenditure (refer note (b) below)            | -                                                      | 0.52                                | -                                                 | -                                                 |
| Business support service (refer note 38)          | 115.28                                                 | -                                   | -                                                 | -                                                 |
| Loss on derecognition of financial assets         | 7.16                                                   | -                                   | -                                                 | -                                                 |
| Miscellaneous expenses                            | 1.81                                                   | 5.09                                | 6.37                                              | 0.62                                              |
|                                                   | <b>239.85</b>                                          | <b>219.72</b>                       | <b>118.02</b>                                     | <b>42.05</b>                                      |

**(a) Payment to auditors (excluding goods and services tax)**

As auditor:

- Statutory audit

- Tax audit

- Others

- Reimbursement of expenses

|             |             |             |             |
|-------------|-------------|-------------|-------------|
| -           | 0.31        | 0.01        | 0.01        |
| -           | -           | 0.00        | -           |
| 4.98        | -           | -           | -           |
| 0.01        | -           | -           | -           |
| <b>4.99</b> | <b>0.31</b> | <b>0.01</b> | <b>0.01</b> |

# paid to erstwhile statutory auditor

**(b) Details of CSR expenditure:**

Amount required to be spent by the Company during the period/year

Actual spent during the period/year:

(i) Construction / acquisition of any asset

(ii) On purpose other than above - in cash

|      |      |   |   |
|------|------|---|---|
| 1.16 | -    | - | - |
| -    | -    | - | - |
| -    | 0.52 | - | - |

**Note 27 - Tax expense**

**a. Amount recognised in Consolidated Statement of Profit and Loss:**

**Current tax:**

- Current period/year

**Deferred tax:**

- Attributable to origination and reversal of temporary differences

**Total tax expense recognized**

|                                                                     | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|---------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| - Current period/year                                               | 137.89                                                 | 22.47                               | 26.21                                             | 12.12                                             |
| - Attributable to origination and reversal of temporary differences | (13.24)                                                | (0.34)                              | (0.06)                                            | (0.01)                                            |
|                                                                     | <b>124.65</b>                                          | <b>22.13</b>                        | <b>26.15</b>                                      | <b>12.11</b>                                      |

**b. Reconciliation of effective tax rate**

**Profit before tax**

Tax at India's statutory tax rate of 25.17% (31 March 2020: 25.17%, 31 March 2019: 26.00%, 31 March 2018: 25.75%) \*

Tax effect of non-deductible expenses

**Income tax expense recognized in the statement of profit and loss**

|               |              |              |              |
|---------------|--------------|--------------|--------------|
| <b>486.45</b> | <b>86.08</b> | <b>88.41</b> | <b>43.23</b> |
| 122.44        | 21.67        | 25.74        | 12.02        |
| 2.21          | 0.46         | 0.41         | 0.09         |
| <b>124.65</b> | <b>22.13</b> | <b>26.15</b> | <b>12.11</b> |

\* The tax rate used for the reconciliation above is the corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law. The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 which gives a one time irreversible option to domestic companies for payment of corporate tax at reduced rates. Accordingly, the Company has re-measured its deferred tax asset (net) basis the rate prescribed in the said section.

**Nureca Limited**  
**Annexure VI : Notes to Restated Consolidated Financial Information**  
*(Amount in INR million, unless otherwise stated)*

**c. Income tax expense recognized in other comprehensive income**

*Arising on income and expenses recognized in other comprehensive income*

|                                                                                   |               |             |             |               |
|-----------------------------------------------------------------------------------|---------------|-------------|-------------|---------------|
| Remeasurement of defined benefit obligation                                       | (0.00)        | 0.01        | 0.00        | (0.00)        |
| Net change in fair value of equity instruments through other comprehensive income | -             | -           | -           | -             |
| <b>Total income tax recognized in other comprehensive income</b>                  | <b>(0.00)</b> | <b>0.01</b> | <b>0.00</b> | <b>(0.00)</b> |

*Bifurcation of the income tax recognized in other comprehensive income into:-*

Items that will not be reclassified to profit or loss

|  |               |             |             |               |
|--|---------------|-------------|-------------|---------------|
|  | (0.00)        | 0.01        | 0.00        | (0.00)        |
|  | -             | -           | -           | -             |
|  | <b>(0.00)</b> | <b>0.01</b> | <b>0.00</b> | <b>(0.00)</b> |

**d. Deferred tax balances reflected in the Restated Consolidated Statement of Assets and Liabilities:**

|                                 |              |             |             |             |
|---------------------------------|--------------|-------------|-------------|-------------|
| Deferred tax asset              | 13.71        | 0.49        | 0.12        | 0.03        |
| Deferred tax liability          | (0.05)       | (0.07)      | (0.03)      | (0.01)      |
| <b>Deferred tax asset (net)</b> | <b>13.66</b> | <b>0.42</b> | <b>0.09</b> | <b>0.02</b> |

|                                 | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|---------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Deferred tax asset              | 13.71                      | 0.49                   | 0.12                                 | 0.03                                 |
| Deferred tax liability          | (0.05)                     | (0.07)                 | (0.03)                               | (0.01)                               |
| <b>Deferred tax asset (net)</b> | <b>13.66</b>               | <b>0.42</b>            | <b>0.09</b>                          | <b>0.02</b>                          |

**f. Movement in deferred tax balances**

**Deferred tax asset**

|                                                     |             |              |               |              |
|-----------------------------------------------------|-------------|--------------|---------------|--------------|
| Provision for employee benefits                     | 0.28        | 0.68         | (0.00)        | 0.96         |
| Expected credit loss allowance on trade receivables | 0.14        | (0.00)       | -             | 0.14         |
| Refund liability                                    | 0.01        | 12.60        | -             | 12.61        |
| Lease liabilities                                   | 0.06        | (0.06)       | -             | -            |
| Others                                              | 0.00        | -            | -             | 0.00         |
| <b>Deferred tax asset (A)</b>                       | <b>0.49</b> | <b>13.22</b> | <b>(0.00)</b> | <b>13.71</b> |

|                                                     | As at<br>1 April 2020 | Recognized in Restated<br>Consolidated Statement<br>of Profit and Loss | Recognized in Other<br>Comprehensive Income | As at<br>30 September 2020 |
|-----------------------------------------------------|-----------------------|------------------------------------------------------------------------|---------------------------------------------|----------------------------|
| Provision for employee benefits                     | 0.28                  | 0.68                                                                   | (0.00)                                      | 0.96                       |
| Expected credit loss allowance on trade receivables | 0.14                  | (0.00)                                                                 | -                                           | 0.14                       |
| Refund liability                                    | 0.01                  | 12.60                                                                  | -                                           | 12.61                      |
| Lease liabilities                                   | 0.06                  | (0.06)                                                                 | -                                           | -                          |
| Others                                              | 0.00                  | -                                                                      | -                                           | 0.00                       |
| <b>Deferred tax asset (A)</b>                       | <b>0.49</b>           | <b>13.22</b>                                                           | <b>(0.00)</b>                               | <b>13.71</b>               |

**Deferred tax liability**

|                                                                                |               |             |          |               |
|--------------------------------------------------------------------------------|---------------|-------------|----------|---------------|
| Excess depreciation as per Income tax Act, 1961 over depreciation as per books | (0.07)        | 0.02        | -        | (0.05)        |
| Discounting of security deposit                                                | 0.00          | -           | -        | 0.00          |
| <b>Deferred tax liability (B)</b>                                              | <b>(0.07)</b> | <b>0.02</b> | <b>-</b> | <b>(0.05)</b> |

|                                                                                |               |              |               |               |
|--------------------------------------------------------------------------------|---------------|--------------|---------------|---------------|
| Excess depreciation as per Income tax Act, 1961 over depreciation as per books | (0.07)        | 0.02         | -             | (0.05)        |
| Discounting of security deposit                                                | 0.00          | -            | -             | 0.00          |
| <b>Deferred tax liability (B)</b>                                              | <b>(0.07)</b> | <b>0.02</b>  | <b>-</b>      | <b>(0.05)</b> |
| <b>Deferred tax asset (net) (A+B)</b>                                          | <b>0.42</b>   | <b>13.24</b> | <b>(0.00)</b> | <b>13.66</b>  |

**Deferred tax asset**

|                                                     |             |             |             |             |
|-----------------------------------------------------|-------------|-------------|-------------|-------------|
| Provision for employee benefits                     | 0.09        | 0.18        | 0.01        | 0.28        |
| Expected credit loss allowance on trade receivables | -           | 0.14        | -           | 0.14        |
| Refund liability                                    | -           | 0.01        | -           | 0.01        |
| Lease liabilities                                   | 0.02        | 0.04        | -           | 0.06        |
| Others                                              | 0.01        | (0.01)      | -           | 0.00        |
| <b>Deferred tax asset (A)</b>                       | <b>0.12</b> | <b>0.36</b> | <b>0.01</b> | <b>0.49</b> |

|                                                     | As at<br>1 April 2019 | Recognized in Restated<br>Consolidated Statement<br>of Profit and Loss | Recognized in Other<br>Comprehensive Income | As at<br>31 March 2020 |
|-----------------------------------------------------|-----------------------|------------------------------------------------------------------------|---------------------------------------------|------------------------|
| Provision for employee benefits                     | 0.09                  | 0.18                                                                   | 0.01                                        | 0.28                   |
| Expected credit loss allowance on trade receivables | -                     | 0.14                                                                   | -                                           | 0.14                   |
| Refund liability                                    | -                     | 0.01                                                                   | -                                           | 0.01                   |
| Lease liabilities                                   | 0.02                  | 0.04                                                                   | -                                           | 0.06                   |
| Others                                              | 0.01                  | (0.01)                                                                 | -                                           | 0.00                   |
| <b>Deferred tax asset (A)</b>                       | <b>0.12</b>           | <b>0.36</b>                                                            | <b>0.01</b>                                 | <b>0.49</b>            |

**Deferred tax liability**

|                                                                                |               |               |          |               |
|--------------------------------------------------------------------------------|---------------|---------------|----------|---------------|
| Excess depreciation as per Income tax Act, 1961 over depreciation as per books | (0.03)        | (0.04)        | -        | (0.07)        |
| Discounting of security deposit                                                | -             | 0.00          | -        | 0.00          |
| <b>Deferred tax liability (B)</b>                                              | <b>(0.03)</b> | <b>(0.04)</b> | <b>-</b> | <b>(0.07)</b> |

|                                                                                |               |               |             |               |
|--------------------------------------------------------------------------------|---------------|---------------|-------------|---------------|
| Excess depreciation as per Income tax Act, 1961 over depreciation as per books | (0.03)        | (0.04)        | -           | (0.07)        |
| Discounting of security deposit                                                | -             | 0.00          | -           | 0.00          |
| <b>Deferred tax liability (B)</b>                                              | <b>(0.03)</b> | <b>(0.04)</b> | <b>-</b>    | <b>(0.07)</b> |
| <b>Deferred tax asset (net) (A+B)</b>                                          | <b>0.09</b>   | <b>0.32</b>   | <b>0.01</b> | <b>0.42</b>   |

**Deferred tax asset**

|                                                     |             |             |             |             |
|-----------------------------------------------------|-------------|-------------|-------------|-------------|
| Provision for employee benefits                     | 0.02        | 0.07        | 0.00        | 0.09        |
| Expected credit loss allowance on trade receivables | -           | -           | -           | -           |
| Refund liability                                    | -           | -           | -           | -           |
| Lease liabilities                                   | -           | 0.02        | -           | 0.02        |
| Others                                              | 0.01        | (0.00)      | -           | 0.01        |
| <b>Deferred tax asset (A)</b>                       | <b>0.03</b> | <b>0.09</b> | <b>0.00</b> | <b>0.12</b> |

|                                                     | As at<br>1 April 2018<br>(Proforma) | Recognized in Restated<br>Consolidated Statement<br>of Profit and Loss | Recognized in Other<br>Comprehensive Income | As at<br>31 March 2019<br>(Proforma) |
|-----------------------------------------------------|-------------------------------------|------------------------------------------------------------------------|---------------------------------------------|--------------------------------------|
| Provision for employee benefits                     | 0.02                                | 0.07                                                                   | 0.00                                        | 0.09                                 |
| Expected credit loss allowance on trade receivables | -                                   | -                                                                      | -                                           | -                                    |
| Refund liability                                    | -                                   | -                                                                      | -                                           | -                                    |
| Lease liabilities                                   | -                                   | 0.02                                                                   | -                                           | 0.02                                 |
| Others                                              | 0.01                                | (0.00)                                                                 | -                                           | 0.01                                 |
| <b>Deferred tax asset (A)</b>                       | <b>0.03</b>                         | <b>0.09</b>                                                            | <b>0.00</b>                                 | <b>0.12</b>                          |

**Deferred tax liability**

|                                                                                |               |               |          |               |
|--------------------------------------------------------------------------------|---------------|---------------|----------|---------------|
| Excess depreciation as per Income tax Act, 1961 over depreciation as per books | (0.01)        | (0.02)        | -        | (0.03)        |
| Discounting of security deposit                                                | -             | -             | -        | -             |
| <b>Deferred tax liability (B)</b>                                              | <b>(0.01)</b> | <b>(0.02)</b> | <b>-</b> | <b>(0.03)</b> |

|                                                                                |               |               |             |               |
|--------------------------------------------------------------------------------|---------------|---------------|-------------|---------------|
| Excess depreciation as per Income tax Act, 1961 over depreciation as per books | (0.01)        | (0.02)        | -           | (0.03)        |
| Discounting of security deposit                                                | -             | -             | -           | -             |
| <b>Deferred tax liability (B)</b>                                              | <b>(0.01)</b> | <b>(0.02)</b> | <b>-</b>    | <b>(0.03)</b> |
| <b>Deferred tax asset (net) (A+B)</b>                                          | <b>0.02</b>   | <b>0.07</b>   | <b>0.00</b> | <b>0.09</b>   |

**Deferred tax asset**

|                                                     |             |             |               |             |
|-----------------------------------------------------|-------------|-------------|---------------|-------------|
| Provision for employee benefits                     | -           | 0.02        | (0.00)        | 0.02        |
| Expected credit loss allowance on trade receivables | -           | -           | -             | -           |
| Refund liability                                    | -           | -           | -             | -           |
| Lease liabilities                                   | -           | -           | -             | -           |
| Others                                              | 0.02        | (0.01)      | -             | 0.01        |
| <b>Deferred tax asset (A)</b>                       | <b>0.02</b> | <b>0.01</b> | <b>(0.00)</b> | <b>0.03</b> |

|                                                     | As at<br>1 April 2017<br>(Proforma) | Recognized in Restated<br>Consolidated Statement<br>of Profit and Loss | Recognized in Other<br>Comprehensive Income | As at<br>31 March 2018<br>(Proforma) |
|-----------------------------------------------------|-------------------------------------|------------------------------------------------------------------------|---------------------------------------------|--------------------------------------|
| Provision for employee benefits                     | -                                   | 0.02                                                                   | (0.00)                                      | 0.02                                 |
| Expected credit loss allowance on trade receivables | -                                   | -                                                                      | -                                           | -                                    |
| Refund liability                                    | -                                   | -                                                                      | -                                           | -                                    |
| Lease liabilities                                   | -                                   | -                                                                      | -                                           | -                                    |
| Others                                              | 0.02                                | (0.01)                                                                 | -                                           | 0.01                                 |
| <b>Deferred tax asset (A)</b>                       | <b>0.02</b>                         | <b>0.01</b>                                                            | <b>(0.00)</b>                               | <b>0.03</b>                          |

**Deferred tax liability**

|                                                                                |               |               |          |               |
|--------------------------------------------------------------------------------|---------------|---------------|----------|---------------|
| Excess depreciation as per Income tax Act, 1961 over depreciation as per books | (0.01)        | (0.00)        | -        | (0.01)        |
| Discounting of security deposit                                                | -             | -             | -        | -             |
| <b>Deferred tax liability (B)</b>                                              | <b>(0.01)</b> | <b>(0.00)</b> | <b>-</b> | <b>(0.01)</b> |

|                                                                                |               |               |               |               |
|--------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|
| Excess depreciation as per Income tax Act, 1961 over depreciation as per books | (0.01)        | (0.00)        | -             | (0.01)        |
| Discounting of security deposit                                                | -             | -             | -             | -             |
| <b>Deferred tax liability (B)</b>                                              | <b>(0.01)</b> | <b>(0.00)</b> | <b>-</b>      | <b>(0.01)</b> |
| <b>Deferred tax asset (net) (A+B)</b>                                          | <b>0.01</b>   | <b>0.01</b>   | <b>(0.00)</b> | <b>0.02</b>   |

**Nureca Limited**  
**Annexure VI : Notes to Restated Consolidated Financial Information**  
(Amount in INR million, unless otherwise stated)

**Note 28 - Earnings per share**

|                                                                                                                                             | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|---------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| i. Profit for basic and diluted earning per share of face value of INR 10 each<br>Profit for the period/year                                | 361.80                                                 | 63.95                               | 62.26                                             | 31.12                                             |
| ii. Weighted average number of equity shares for (basic and diluted)<br>Number of equity shares at the beginning and end of the period/year | 7,000,000                                              | 7,000,000                           | 7,000,000                                         | 7,000,000                                         |
| <b>Basic and diluted earnings per share (face value of INR 10 each)</b>                                                                     | <b>51.69</b>                                           | <b>9.14</b>                         | <b>8.89</b>                                       | <b>4.45</b>                                       |

Note: The equity shares and basic/diluted earnings per share has been presented to reflect the adjustments for issue of bonus shares during the period ended 30 September 2020 in accordance with Ind AS 33 - Earnings per Share. The bonus issue resulted in allotment of 6,000,000 new equity shares. Total number of equity shares after bonus allotment is 7,000,000 equity shares.

**Note 29 - Segment information**

The Board of directors of Nureca Limited takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be Chief Operating Decision Maker.

**a. Information about products and services**

|                  | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Sale of products | 1,221.45                                               | 994.26                              | 618.97                                            | 200.51                                            |
| <b>Total</b>     | <b>1,221.45</b>                                        | <b>994.26</b>                       | <b>618.97</b>                                     | <b>200.51</b>                                     |

**b. Information about geographical areas**

The geographical information analyses the Group's revenues by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers. The following is the distribution of the Group's consolidated revenues and receivables by geographical market, regardless of where the goods were produced:

|                                  | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|----------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| <b>i. Revenue from customers</b> |                                                        |                                     |                                                   |                                                   |
| India                            | 1,221.45                                               | 994.26                              | 618.97                                            | 200.44                                            |
| Outside India                    | -                                                      | -                                   | -                                                 | 0.07                                              |
|                                  | <b>1,221.45</b>                                        | <b>994.26</b>                       | <b>618.97</b>                                     | <b>200.51</b>                                     |
| <b>ii. Trade receivables</b>     |                                                        |                                     |                                                   |                                                   |
| India                            | 40.08                                                  | 128.97                              | 88.56                                             | 16.86                                             |
| Outside India                    | -                                                      | -                                   | -                                                 | -                                                 |
|                                  | <b>40.08</b>                                           | <b>128.97</b>                       | <b>88.56</b>                                      | <b>16.86</b>                                      |

**iii) Non-current assets**

The Group has common non-current assets for business in domestic and overseas markets. Hence, separate figures for non-current assets/ additions to property, plant and equipment have not been furnished.

**c. Information about major customers (from external customers)**

For period ended 30 September 2020, 2 customers of the Group constituted more than 10% of the total revenue of the Group amounting to INR 549.92, 31 March 2020: 1 customer of the Group constituted more than 10% of the total revenue of Group amounting to INR 352.71 , 31 March 2019: 1 customer of the Group constituted more than 10% of the total revenue of the Group amounting to INR 37.50 and 31 March 2018: no customer constituted more than 10% of the total revenue of Group.

**Note 30 - Employee benefits**

**a. Defined contribution plans**

The Group makes contributions, determined as a specified percentage of employee salaries, towards Provident Fund and Employee State Insurance Scheme ('ESI') which are collectively defined as defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are charged to the Restated Consolidated Statement of Profit and Loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund and ESI are as follows:

|                                                           | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|-----------------------------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Contribution to provident and other funds (refer note 23) | 0.21                                                   | 0.72                                | 0.36                                              | 0.10                                              |

**b. Defined benefit plans**

**Gratuity**

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognised immediately in the Other Comprehensive Income (OCI).

This is an unfunded benefit plan for qualifying employees. This scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

The above defined benefit plan exposes the Group to following risks:

**Interest rate risk:**

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Salary inflation risk:**

Higher than expected increases in salary will increase the defined benefit obligation.

**Demographic risk:**

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

**Nureca Limited**  
**Annexure VI : Notes to Restated Consolidated Financial Information**  
(Amount in INR million, unless otherwise stated)

The following table sets out the status of the defined benefit plan as required under Ind AS 19 - Employee Benefits:

|                                                                         | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|-------------------------------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| <b>i. Reconciliation of present value of defined benefit obligation</b> |                            |                        |                                      |                                      |
| Balance at the beginning of the period/year                             | 0.70                       | 0.13                   | 0.03                                 | 0.01                                 |
| Interest cost                                                           | 0.09                       | 0.04                   | 0.01                                 | 0.00                                 |
| Current service cost                                                    | 0.81                       | 0.47                   | 0.09                                 | 0.02                                 |
| Past service cost                                                       | 1.24                       | -                      | -                                    | -                                    |
| Benefits paid                                                           | -                          | -                      | -                                    | -                                    |
| Actuarial loss recognised in other comprehensive income:                |                            |                        |                                      |                                      |
| - from changes in financial assumptions                                 | -                          | 0.06                   | 0.00                                 | -                                    |
| - from changes in demographic assumptions                               | -                          | 0.00                   | -                                    | (0.00)                               |
| - from experience adjustments                                           | (0.01)                     | 0.00                   | (0.00)                               | -                                    |
| <b>Balance at the end of the period/year</b>                            | <b>2.83</b>                | <b>0.70</b>            | <b>0.13</b>                          | <b>0.03</b>                          |

|                                                                         | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|-------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| <b>ii. Amount recognized in statement of profit and loss</b>            |                                                        |                                     |                                                   |                                                   |
| Interest cost                                                           | 0.09                                                   | 0.04                                | 0.01                                              | 0.00                                              |
| Current service cost                                                    | 0.81                                                   | 0.47                                | 0.09                                              | 0.02                                              |
| Past service cost                                                       | 1.24                                                   | -                                   | -                                                 | -                                                 |
|                                                                         | <b>2.14</b>                                            | <b>0.51</b>                         | <b>0.10</b>                                       | <b>0.02</b>                                       |
| <b>iii. Remeasurements recognised in other comprehensive income</b>     |                                                        |                                     |                                                   |                                                   |
| Actuarial (gain)/loss for the period/year on defined benefit obligation | (0.01)                                                 | 0.06                                | 0.00                                              | (0.00)                                            |
|                                                                         | <b>(0.01)</b>                                          | <b>0.06</b>                         | <b>0.00</b>                                       | <b>(0.00)</b>                                     |

**iv. Actuarial assumptions**

*(i) Economic assumptions*

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

|                                                  | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|--------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Discount rate (per annum)                        | 6.8%                       | 6.6%                   | 7.4%                                 | 7.7%                                 |
| Future salary growth rate (per annum)            | 15%                        | 10%                    | 10%                                  | 10%                                  |
| Expected average remaining working lives (years) | 28.22                      | 28.94                  | 29.75                                | 31.37                                |

*(ii) Demographic assumptions*

|                            | As at<br>30 September 2020 | As at<br>31 March 2020   | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|----------------------------|----------------------------|--------------------------|--------------------------------------|--------------------------------------|
| Retirement age (years)     | 58                         | 58                       | 58                                   | 58                                   |
| Mortality rate             | 100% of IALM<br>2012- 14   | 100% of IALM<br>2012- 14 | 100% of IALM<br>2006-08              | 100% of IALM<br>2006-08              |
| Attrition rate (per annum) | 10%                        | 15%                      | 15%                                  | 15%                                  |

**v. Sensitivity analysis on defined benefit obligation on account of change in significant assumption:**

|                                         | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|-----------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| <b><i>Increase</i></b>                  |                                                        |                                     |                                                   |                                                   |
| Discount rate (1% movement)             | (0.33)                                                 | (0.06)                              | (0.01)                                            | (0.00)                                            |
| Future salary growth rate (1% movement) | 0.25                                                   | 0.07                                | 0.01                                              | 0.00                                              |
| <b><i>Decrease</i></b>                  |                                                        |                                     |                                                   |                                                   |
| Discount rate (1% movement)             | 0.39                                                   | 0.07                                | 0.01                                              | 0.00                                              |
| Future salary growth rate (1% movement) | (0.24)                                                 | (0.07)                              | (0.01)                                            | (0.00)                                            |

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) have been applied, as when calculating the defined benefit liability recognised in the Restated Consolidated Statement of Assets and Liabilities. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**vi. Expected maturity analysis of the defined benefit plan in future years**

|                                              | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|----------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Within 1 year (next annual reporting period) | 0.01                       | 0.00                   | -                                    | -                                    |
| Between 1 to 5 years                         | 0.56                       | 0.17                   | 0.03                                 | 0.01                                 |
| Between 5 to 10 years                        | 1.27                       | 0.46                   | 0.09                                 | 0.02                                 |
| Beyond 10 years                              | 6.14                       | 0.83                   | 0.00                                 | 0.05                                 |
| <b>Total expected payments</b>               | <b>7.98</b>                | <b>1.46</b>            | <b>0.12</b>                          | <b>0.08</b>                          |

**vii. Weighted average duration of the defined benefit plan:**

|                                                                  | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|------------------------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Weighted average duration of the defined benefit plan (in years) | 17.23                      | 11.97                  | 10.70                                | 12.29                                |

**Note 31 - Related parties**

**I - Disclosure post elimination of intra group transactions:**

**A. List of related parties and nature of relationship with whom transactions have taken place during the respective period/year**

| Description of Relationship             | Name of the Party                                                                                                             |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| <b>Key management personnel ('KMP')</b> | Mr. Saurabh Goyal - Managing Director<br>Mr. Aryan Goyal - Chief Executive Officer<br>Mr. Gurvikram Singh - Company Secretary |
| <b>Relatives of KMPs</b>                | Mrs. Payal Goyal<br>Mrs. Raman Goyal (refer note 38 a)<br>Mrs. Smita Goyal                                                    |

**Nureca Limited**  
**Annexure VI : Notes to Restated Consolidated Financial Information**  
*(Amount in INR million, unless otherwise stated)*

| Description of Relationship                                              | Name of the Party                                  |
|--------------------------------------------------------------------------|----------------------------------------------------|
| Entities in which KMPs and/or their relatives have significant influence | Trumom Private Limited                             |
|                                                                          | Mirasan Private Limited                            |
|                                                                          | Nectar Life Sciences Limited (refer note 38 a)     |
|                                                                          | Nectar Biopharma Private Limited (refer note 38 b) |

**B. The following table provides the total amount of transactions that have been entered into with related parties for the respective period/year**

| Nature of transaction                        | Name of related party            | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|----------------------------------------------|----------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| 1 Revenue from operations (net of returns)   | Trumom Private Limited           | -                                                      | -                                   | 0.37                                              | 1.42                                              |
|                                              | Nectar Life Sciences Limited     | 0.04                                                   | 9.51                                | 10.36                                             | 10.66                                             |
| 2 Purchase of stock-in-trade                 | Nectar Life Sciences Limited     | 111.82 **                                              | 189.55                              | 404.07                                            | 114.52                                            |
| 3 Reimbursement of expense paid by the Group | Trumom Private Limited           | -                                                      | 0.04                                | -                                                 | -                                                 |
|                                              | Mirasan Private Limited          | 0.02                                                   | -                                   | -                                                 | -                                                 |
| 4 Borrowings taken                           | Mrs. Payal Goyal                 | -                                                      | 30.18                               | -                                                 | -                                                 |
|                                              | Mr. Saurabh Goyal                | -                                                      | 22.21                               | -                                                 | -                                                 |
|                                              | Mrs. Raman Goyal                 | -                                                      | 43.18                               | -                                                 | -                                                 |
|                                              | Mrs. Smita Goyal                 | -                                                      | 2.68                                | -                                                 | -                                                 |
|                                              | Trumom Private Limited           | 1.46                                                   | -                                   | -                                                 | -                                                 |
|                                              | Nectar Biopharma Private Limited | -                                                      | 0.75                                | -                                                 | -                                                 |
| 5 Borrowings repaid                          | Mrs. Payal Goyal                 | 19.89                                                  | 2.50                                | -                                                 | -                                                 |
|                                              | Mr. Saurabh Goyal                | 17.21                                                  | 5.00                                | -                                                 | -                                                 |
|                                              | Mrs. Raman Goyal                 | 15.00                                                  | -                                   | -                                                 | -                                                 |
|                                              | Mrs. Smita Goyal                 | 2.68                                                   | -                                   | -                                                 | -                                                 |
| 6 Advance received against supply of goods   | Trumom Private Limited           | -                                                      | 1.90                                | -                                                 | -                                                 |
| 7 Interest accrued during the period/year    | Mrs. Payal Goyal                 | 0.42                                                   | 0.17                                | -                                                 | -                                                 |
|                                              | Mr. Saurabh Goyal                | 0.08                                                   | 0.14                                | -                                                 | -                                                 |
|                                              | Mrs. Raman Goyal                 | 1.73                                                   | 0.27                                | -                                                 | -                                                 |
|                                              | Mrs. Smita Goyal                 | 0.03                                                   | 0.01                                | -                                                 | -                                                 |
| 8 Managerial remuneration *                  | Mr. Saurabh Goyal                | 1.99                                                   | 6.90                                | -                                                 | -                                                 |
| 9 Salary to KMPs and their relatives         | Mrs. Payal Goyal                 | 1.18                                                   | 3.00                                | 1.20                                              | 1.20                                              |
|                                              | Ms. Smita Goyal                  | 0.44                                                   | 3.00                                | 1.20                                              | 1.20                                              |
|                                              | Mr. Aryan Goyal                  | 1.25                                                   | 6.90                                | -                                                 | -                                                 |
|                                              | Mr. Gurvikram Singh              | 0.05                                                   | -                                   | -                                                 | -                                                 |
| 10 Commission paid                           | Nectar Biopharma Private Limited | 18.68                                                  | -                                   | -                                                 | -                                                 |
| 11 Business support service                  | Nectar Biopharma Private Limited | 115.28                                                 | -                                   | -                                                 | -                                                 |
| 12 Shares cancelled during the period/year   | Nectar Biopharma Private Limited | (0.10)                                                 | -                                   | -                                                 | -                                                 |
| 13 Shares allotted during the period/year    | Mr. Saurabh Goyal                | 35.00                                                  | -                                   | -                                                 | -                                                 |
|                                              | Mrs. Payal Goyal                 | 35.00                                                  | -                                   | -                                                 | -                                                 |

\* Break-up of compensation of KMP of the Group

|                                       | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|---------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Short-term employee benefits          | 1.99                                                   | 6.90                                | -                                                 | -                                                 |
| Post-employment benefits              | 0.11                                                   | 0.11                                | -                                                 | -                                                 |
| <b>Total compensation paid to KMP</b> | <b>2.10</b>                                            | <b>7.01</b>                         | <b>-</b>                                          | <b>-</b>                                          |

The amount disclosed in the table are the amounts recognised as expense during the respective reporting period/year related to KMP

**C. Balances outstanding at period / year end**

| Nature of transaction                       | Name of related party            | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|---------------------------------------------|----------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| 1 Expenses recoverable from related parties | Trumom Private Limited           | 0.04                       | 0.04                   | -                                    | 0.07                                 |
|                                             | Mirasan Private Limited          | 0.02                       | -                      | -                                    | -                                    |
| 2 Trade payables                            | Nectar Life Sciences Limited     | 0.85                       | 6.48                   | 87.24                                | 48.83                                |
|                                             | Nectar Biopharma Private Limited | 140.95 **                  | -                      | -                                    | -                                    |
| 3 Trade receivables                         | Nectar Life Sciences Limited     | -                          | 10.12                  | 5.16                                 | 2.43                                 |
|                                             | Trumom Private Limited           | -                          | -                      | 0.44                                 | -                                    |
| 4 Recoverable on account of arrangement     | Nectar Biopharma Private Limited | -                          | 19.88                  | -                                    | 14.82                                |
| 5 Payable on account of arrangement         | Nectar Biopharma Private Limited | -                          | -                      | 52.42                                | -                                    |
| 6 Contract liability                        | Trumom Private Limited           | -                          | 1.46                   | -                                    | -                                    |
| 2 Payable to employees                      | Mr. Saurabh Goyal                | 1.21                       | 0.25                   | -                                    | -                                    |
|                                             | Mr. Aryan Goyal                  | 0.18                       | 0.45                   | -                                    | -                                    |
|                                             | Mrs. Smita Goyal                 | -                          | 0.23                   | -                                    | -                                    |
|                                             | Mrs. Payal Goyal                 | 0.54                       | 0.13                   | -                                    | -                                    |
|                                             | Mr. Gurvikram Singh              | 0.03                       | -                      | -                                    | -                                    |
| 8 Borrowings                                | Ms. Payal Goyal                  | 7.79                       | 27.68                  | -                                    | -                                    |
|                                             | Mr. Saurabh Goyal                | -                          | 17.21                  | -                                    | -                                    |
|                                             | Mrs. Raman Goyal                 | 28.18                      | 43.18                  | -                                    | -                                    |
|                                             | Mrs. Smita Goyal                 | -                          | 2.68                   | -                                    | -                                    |
|                                             | Trumom Private Limited           | 1.46                       | -                      | -                                    | -                                    |
|                                             | Nectar Biopharma Private Limited | 0.74                       | 0.75                   | -                                    | -                                    |
| 9 Interest accrued but not due              | Ms. Payal Goyal                  | 0.55                       | 0.16                   | -                                    | -                                    |
|                                             | Mr. Saurabh Goyal                | 0.20                       | 0.12                   | -                                    | -                                    |
|                                             | Mrs. Raman Goyal                 | 0.25                       | 0.25                   | -                                    | -                                    |
|                                             | Mrs. Smita Goyal                 | 0.04                       | 0.01                   | -                                    | -                                    |
|                                             | Trumom Private Limited           | 0.04                       | -                      | -                                    | -                                    |

\*\* During the period ended 30 September 2020, purchase of stock-in-trade from Nectar Life Sciences Limited of INR 111.82 (31 March 2020: INR Nil and 1 April 2019: INR Nil) were made through the Company's agent Nectar Biopharma Private Limited. Accordingly, the balance outstanding towards Nectar Biopharma Private Limited as at 30 September 2020 includes INR 19.68 (31 March 2020: INR Nil and 1 April 2019: INR Nil) further payable towards Nectar Life Sciences Limited for the aforesaid purchase of stock-in-trade.

**Nureca Limited**  
**Annexure VI : Notes to Restated Consolidated Financial Information**  
(Amount in INR million, unless otherwise stated)

**II - Disclosures prior to elimination of intra-group transactions:**

**A. List of related parties and nature of relationship with whom transactions have taken place during the respective period/year**

| Description of Relationship                                                 | Name of the Party                                  |
|-----------------------------------------------------------------------------|----------------------------------------------------|
| <b>Subsidiary</b>                                                           | Nureca Inc. USA                                    |
|                                                                             | Nureca Healthcare Private Limited                  |
|                                                                             | Nureca Technologies Private Limited                |
| <b>Key management personnel ('KMP')</b>                                     | Mr. Saurabh Goyal - Director                       |
|                                                                             | Mr. Aryan Goyal - Chief Executive Officer          |
|                                                                             | Mr. Gurvikram Singh - Company Secretary            |
| <b>Relatives of KMPs</b>                                                    | Mrs. Payal Goyal                                   |
|                                                                             | Mr. Aryan Goyal                                    |
|                                                                             | Mrs. Raman Goyal (refer note 38 a)                 |
|                                                                             | Mrs. Smita Goyal                                   |
| <b>Entities in which KMP and their relatives have significant influence</b> | Trumom Private Limited                             |
|                                                                             | Mirasan Private Limited                            |
|                                                                             | Nectar Life Sciences Limited (refer note 38 a)     |
|                                                                             | Nectar Biopharma Private Limited (refer note 38 b) |

**B. The following table provides the total amount of transactions that have been entered into with related parties for the respective period/year**

| Nature of transaction                        | Name of related party               | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|----------------------------------------------|-------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| 1 Revenue from operations (net of returns)   | Trumom Private Limited              | -                                                      | -                                   | 0.37                                              | 1.42                                              |
|                                              | Nectar Life Sciences Limited        | 0.04                                                   | 9.51                                | 10.36                                             | 10.66                                             |
|                                              | Nureca Inc.                         | -                                                      | -                                   | -                                                 | 0.37                                              |
| 2 Purchase of stock-in-trade                 | Nectar Life Sciences Limited        | 111.82 **                                              | 189.55                              | 404.07                                            | 114.52                                            |
|                                              | Nureca Inc.                         | -                                                      | 2.00                                | 0.37                                              | -                                                 |
| 3 Reimbursement of expense paid by the Group | Trumom Private Limited              | -                                                      | 0.04                                | -                                                 | -                                                 |
|                                              | Mirasan Private Limited             | 0.02                                                   | -                                   | -                                                 | -                                                 |
|                                              | Nureca Healthcare Private Limited   | 0.02                                                   | -                                   | -                                                 | -                                                 |
|                                              | Nureca Technologies Private Limited | 1.44                                                   | -                                   | -                                                 | -                                                 |
| 4 Borrowings taken                           | Mrs. Payal Goyal                    | -                                                      | 30.18                               | -                                                 | -                                                 |
|                                              | Mr. Saurabh Goyal                   | -                                                      | 22.21                               | -                                                 | -                                                 |
|                                              | Mrs. Raman Goyal                    | -                                                      | 43.18                               | -                                                 | -                                                 |
|                                              | Mrs. Smita Goyal                    | -                                                      | 2.68                                | -                                                 | -                                                 |
|                                              | Trumom Private Limited              | 1.46                                                   | -                                   | -                                                 | -                                                 |
|                                              | Nectar Biopharma Private Limited    | -                                                      | 0.75                                | -                                                 | -                                                 |
| 5 Borrowings repaid                          | Mrs. Payal Goyal                    | 19.89                                                  | 2.50                                | -                                                 | -                                                 |
|                                              | Mr. Saurabh Goyal                   | 17.21                                                  | 5.00                                | -                                                 | -                                                 |
|                                              | Mrs. Raman Goyal                    | 15.00                                                  | -                                   | -                                                 | -                                                 |
|                                              | Mrs. Smita Goyal                    | 2.68                                                   | -                                   | -                                                 | -                                                 |
| 6 Advance received against supply of goods   | Trumom Private Limited              | -                                                      | 1.90                                | -                                                 | -                                                 |
| 7 Interest accrued during the period/year    | Mrs. Payal Goyal                    | 0.42                                                   | 0.17                                | -                                                 | -                                                 |
|                                              | Mr. Saurabh Goyal                   | 0.08                                                   | 0.14                                | -                                                 | -                                                 |
|                                              | Mrs. Raman Goyal                    | 1.73                                                   | 0.27                                | -                                                 | -                                                 |
|                                              | Mrs. Smita Goyal                    | 0.03                                                   | 0.01                                | -                                                 | -                                                 |
| 8 Managerial remuneration *                  | Mr. Saurabh Goyal                   | 1.99                                                   | 6.90                                | -                                                 | -                                                 |
| 9 Salary to KMPs and their relatives         | Mrs. Payal Goyal                    | 1.18                                                   | 3.00                                | 1.20                                              | 1.20                                              |
|                                              | Ms. Smita Goyal                     | 0.44                                                   | 3.00                                | 1.20                                              | 1.20                                              |
|                                              | Mr. Aryan Goyal                     | 1.25                                                   | 6.90                                | -                                                 | -                                                 |
|                                              | Mr. Gurvikram Singh                 | 0.05                                                   | -                                   | -                                                 | -                                                 |
| 10 Commission paid                           | Nectar Biopharma Private Limited    | 18.68                                                  | -                                   | -                                                 | -                                                 |
| 11 Business support services                 | Nectar Biopharma Private Limited    | 115.28                                                 | -                                   | -                                                 | -                                                 |
| 12 Shares cancelled during the period/year   | Nectar Biopharma Private Limited    | (0.10)                                                 | -                                   | -                                                 | -                                                 |
| 13 Shares allotted during the period/year    | Mr. Saurabh Goyal                   | 35.00                                                  | -                                   | -                                                 | -                                                 |
|                                              | Mrs. Payal Goyal                    | 35.00                                                  | -                                   | -                                                 | -                                                 |

\* Break-up of compensation of KMP of the Group

|                                       | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|---------------------------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Short-term employee benefits          | 1.99                                                   | 6.90                                | -                                                 | -                                                 |
| Post-employment benefits              | 0.11                                                   | 0.11                                | -                                                 | -                                                 |
| <b>Total compensation paid to KMP</b> | <b>2.10</b>                                            | <b>7.01</b>                         | <b>-</b>                                          | <b>-</b>                                          |

The amount disclosed in the table are the amounts recognised as expense during the reporting period related to KMP.

**C. Balances outstanding at period / year end**

| Nature of transaction                   | Name of related party               | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|-----------------------------------------|-------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| 1 Expenses recoverable                  | Trumom Private Limited              | 0.04                       | 0.04                   | -                                    | -                                    |
|                                         | Mirasan Private Limited             | 0.02                       | -                      | -                                    | -                                    |
|                                         | Nureca Healthcare Private Limited   | 0.02                       | -                      | -                                    | -                                    |
|                                         | Nureca Technologies Private Limited | 1.44                       | -                      | -                                    | -                                    |
| 2 Trade payables                        | Nectar Life Sciences Limited        | 0.85                       | 6.48                   | 87.24                                | 48.83                                |
|                                         | Nureca Inc.                         | 0.25                       | -                      | -                                    | -                                    |
|                                         | Nectar Biopharma Private Limited    | 140.95 **                  | -                      | -                                    | -                                    |
| 3 Trade receivables                     | Nectar Life Sciences Limited        | -                          | 10.12                  | 5.16                                 | 2.43                                 |
|                                         | Nureca Inc.                         | -                          | 0.03                   | 0.03                                 | 0.37                                 |
|                                         | Trumom Private Limited              | -                          | -                      | 0.44                                 | -                                    |
| 4 Recoverable on account of arrangement | Nectar Biopharma Private Limited    | -                          | 19.88                  | -                                    | 14.82                                |
| 5 Payable on account of arrangement     | Nectar Biopharma Private Limited    | -                          | -                      | 52.42                                | -                                    |
| 6 Advance received from customers       | Trumom Private Limited              | -                          | 1.46                   | -                                    | -                                    |

\*\* During the period ended 30 September 2020, purchase of stock-in-trade from Nectar Life Sciences Limited of INR 111.82 (31 March 2020: INR Nil and 1 April 2019: INR Nil) were made through the Company's agent Nectar Biopharma Private Limited. Accordingly, the balance outstanding towards Nectar Biopharma Private Limited as at 30 September 2020 includes INR 19.68 (31 March 2020: INR Nil and 1 April 2019: INR Nil) further payable towards Nectar Life Sciences Limited for the aforesaid purchase of stock-in-trade.

**Nureca Limited**  
**Annexure VI : Notes to Restated Consolidated Financial Information**  
*(Amount in INR million, unless otherwise stated)*

| Nature of transaction          | Name of related party            | As at             | As at         | As at                       | As at                       |
|--------------------------------|----------------------------------|-------------------|---------------|-----------------------------|-----------------------------|
|                                |                                  | 30 September 2020 | 31 March 2020 | 31 March 2019<br>(Proforma) | 31 March 2018<br>(Proforma) |
| 7 Employee related payable     | Mr. Saurabh Goyal                | 1.21              | 0.25          | -                           | -                           |
|                                | Mr. Aryan Goyal                  | 0.18              | 0.45          | -                           | -                           |
|                                | Mrs. Smita Goyal                 | -                 | 0.23          | -                           | -                           |
|                                | Mrs. Payal Goyal                 | 0.54              | 0.13          | -                           | -                           |
|                                | Mr. Gurvikram Singh              | 0.03              | -             | -                           | -                           |
| 8 Borrowings                   | Ms. Payal Goyal                  | 7.79              | 27.68         | -                           | -                           |
|                                | Mr. Saurabh Goyal                | -                 | 17.21         | -                           | -                           |
|                                | Mrs. Raman Goyal                 | 28.18             | 43.18         | -                           | -                           |
|                                | Mrs. Smita Goyal                 | -                 | 2.68          | -                           | -                           |
|                                | Trumom Private Limited           | 1.46              | -             | -                           | -                           |
|                                | Nectar Biopharma Private Limited | 0.74              | 0.75          | -                           | -                           |
| 9 Interest accrued but not due | Ms. Payal Goyal                  | 0.55              | 0.16          | -                           | -                           |
|                                | Mr. Saurabh Goyal                | 0.20              | 0.12          | -                           | -                           |
|                                | Mrs. Raman Goyal                 | 0.25              | 0.25          | -                           | -                           |
|                                | Mrs. Smita Goyal                 | 0.04              | 0.01          | -                           | -                           |
|                                | Trumom Private Limited           | 0.04              | -             | -                           | -                           |

**Note 32 - Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the Restated Consolidated Financial Information based on information available with the Group as under:

| Particulars                                                                                                                                                                                                                                                                                                        | As at             | As at         | As at                       | As at                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------------|-----------------------------|-----------------------------|
|                                                                                                                                                                                                                                                                                                                    | 30 September 2020 | 31 March 2020 | 31 March 2019<br>(Proforma) | 31 March 2018<br>(Proforma) |
| The amounts remaining unpaid to micro, small and medium enterprises as at the end of the period/year                                                                                                                                                                                                               |                   |               |                             |                             |
| - Principal                                                                                                                                                                                                                                                                                                        | -                 | -             | -                           | -                           |
| - Interest                                                                                                                                                                                                                                                                                                         | -                 | -             | -                           | -                           |
| The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27of 2006), along with the amount of payment made to the supplier beyond the appointed day during each accounting period/year                                                    | -                 | -             | -                           | -                           |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during each accounting period/year) but without adding the interest specified under the MSMED act 2006.                                                                        | -                 | -             | -                           | -                           |
| The amount of interest accrued and remaining unpaid at the end of each accounting period/year                                                                                                                                                                                                                      | -                 | -             | -                           | -                           |
| The amount of further interest due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | -                 | -             | -                           | -                           |

**Note 33 - Financial instrument : fair value measurements**

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the group, other than those with carrying amounts that are reasonable approximations of fair values:

|                              | Note | Level of hierarchy | As at 30 September 2020 |                        | As at 31 March 2020 |                        | As at 31 March 2019<br>(Proforma) |                        | As at 31 March 2018<br>(Proforma) |                        |
|------------------------------|------|--------------------|-------------------------|------------------------|---------------------|------------------------|-----------------------------------|------------------------|-----------------------------------|------------------------|
|                              |      |                    | Amortised Cost          | Fair value through OCI | Amortised Cost      | Fair value through OCI | Amortised Cost                    | Fair value through OCI | Amortised Cost                    | Fair value through OCI |
|                              |      |                    |                         |                        |                     |                        |                                   |                        |                                   |                        |
| <b>Financial assets</b>      |      |                    |                         |                        |                     |                        |                                   |                        |                                   |                        |
| Investments                  | a    | 3                  | -                       | -                      | -                   | -                      | -                                 | 0.00                   | -                                 | 0.00                   |
| Loans                        | b    |                    | 0.39                    | -                      | 0.25                | -                      | 0.02                              | -                      | 0.02                              | -                      |
| Trade receivables            | c    |                    | 40.08                   | -                      | 128.97              | -                      | 88.56                             | -                      | 16.86                             | -                      |
| Cash and cash equivalents    | c    |                    | 108.62                  | -                      | 0.74                | -                      | 1.11                              | -                      | 0.69                              | -                      |
| Other bank balances          | c    |                    | 443.80                  | -                      | -                   | -                      | -                                 | -                      | -                                 | -                      |
| Other financial assets       | c    |                    | 2.74                    | -                      | 19.88               | -                      | -                                 | -                      | 14.82                             | -                      |
|                              |      |                    | <b>595.63</b>           | <b>-</b>               | <b>149.84</b>       | <b>-</b>               | <b>89.69</b>                      | <b>0.00</b>            | <b>32.39</b>                      | <b>0.00</b>            |
| <b>Financial liabilities</b> |      |                    |                         |                        |                     |                        |                                   |                        |                                   |                        |
| Borrowings                   | b    |                    | 93.15                   | -                      | 94.20               | -                      | 2.60                              | -                      | -                                 | -                      |
| Trade payables               | c    |                    | 182.86                  | -                      | 58.31               | -                      | 97.60                             | -                      | 52.65                             | -                      |
| Other financial liabilities  | c    |                    | 6.85                    | -                      | 4.16                | -                      | 54.12                             | -                      | -                                 | -                      |
|                              |      |                    | <b>282.86</b>           | <b>-</b>               | <b>156.67</b>       | <b>-</b>               | <b>154.32</b>                     | <b>-</b>               | <b>52.65</b>                      | <b>-</b>               |

**Notes:**

- The carrying value of investment in Nureca Electronics Private Limited was INR 2,000/-. Fair value of this investment is not considered to be material and Nureca Electronics Limited ceased to exist on 03 December 2019.
- Fair valuation of the loans and borrowings is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Subsequent measurements of all assets and liabilities is at amortised cost, using effective interest rate (EIR) method. Further, in accordance with amendment Ministry of Corporate Affairs notified in Ind AS 113 on 30 March 2019, fair value measurement of lease liabilities is not required.
- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

There are no transfers between level 1, level 2 and level 3 during the period/years presented.

**Note 34 - Financial risk management**

**Risk management framework**

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is responsible to ensure that Group's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risks, which are summarised below.

**(i) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk financial instruments affected by market risk include trade receivables, borrowings and investments measured at fair value through profit and loss account. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

**(a) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of change in market interest rates. The Group does not expose to the risk of changes in market interest rates as Group's long and short term debt obligations are of fixed interest rate.

**(b) Currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities (when certain purchases and trade payables are denominated in a foreign currency).

The Group undertakes transactions denominated in foreign currencies and consequently, exposes to exchange rate fluctuations. The Group does not enter into trade financial instruments including derivate financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Group.

**Nureca Limited**  
**Annexure VI : Notes to Restated Consolidated Financial Information**  
(Amount in INR million, unless otherwise stated)

*Exposure to currency risk :*

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period/year are as follows:

|                | Currency | As at 30 September 2020 |                 | As at 31 March 2020 |                 | As at 31 March 2019<br>(Proforma) |                 | As at 31 March 2018<br>(Proforma) |                 |
|----------------|----------|-------------------------|-----------------|---------------------|-----------------|-----------------------------------|-----------------|-----------------------------------|-----------------|
|                |          | Amount in               | Amount in       | Amount in           | Amount in       | Amount in                         | Amount in       | Amount in                         | Amount in       |
|                |          | Foreign Currency        | Indian Currency | Foreign Currency    | Indian Currency | Foreign Currency                  | Indian Currency | Foreign Currency                  | Indian Currency |
| Trade payables | USD      | 0.28                    | 20.64           | 0.22                | 16.42           | -                                 | -               | -                                 | -               |

Out of the above foreign currency exposures, none of the monetary assets and liabilities are hedged by a derivative instrument or otherwise.

**Sensitivity analysis:**

The following table details the Group's sensitivity to a 5% increase and decrease in the INR against relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectations of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjust their transaction at the period/year end for 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity balance below would be negative. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the period/year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

|                                       | Profit or loss |           | Equity, net of tax |           |
|---------------------------------------|----------------|-----------|--------------------|-----------|
|                                       | Strengthening  | Weakening | Strengthening      | Weakening |
| <b>As at 30 September 2020</b>        |                |           |                    |           |
| USD 5% movement                       | 1.03           | (1.03)    | 0.77               | (0.77)    |
| <b>As at 31 March 2020</b>            |                |           |                    |           |
| USD 5% movement                       | 0.82           | (0.82)    | 0.61               | (0.61)    |
| <b>As at 31 March 2019 (Proforma)</b> |                |           |                    |           |
| USD 5% movement                       | -              | -         | -                  | -         |
| <b>As at 31 March 2018 (Proforma)</b> |                |           |                    |           |
| USD 5% movement                       | -              | -         | -                  | -         |

**(ii) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

**(a) Trade receivables**

Customer credit risk is managed as per the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Based on internal assessment which is driven by the historical experience/current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Restated Consolidated Statement of Profit and Loss within other expenses.

The ageing of trade receivables at the reporting date was:

|                    | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|--------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Not due            | 36.60                      | 77.57                  | 81.03                                | 15.67                                |
| Less than 90 days  | 2.89                       | 40.68                  | 6.91                                 | 0.38                                 |
| 90-180 days        | 0.52                       | 8.85                   | 0.21                                 | 0.05                                 |
| More than 180 days | 0.07                       | 1.87                   | 0.41                                 | 0.76                                 |
| <b>Total</b>       | <b>40.08</b>               | <b>128.97</b>          | <b>88.56</b>                         | <b>16.86</b>                         |

**(b) Cash and cash equivalents**

Cash and cash equivalents of the Group are held with banks which have high credit rating. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

**(c) Security deposits**

The Group furnished security deposits to its lessor for obtaining the premises on lease and margin money deposits to banks. The Group considers that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where the Group expects that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.

**(iii) Liquidity risk**

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

| As at 30 September 2020                                   | Carrying amount | On demand | Upto 1 Year   | 1-3 year     | More than 3 years | Total         |
|-----------------------------------------------------------|-----------------|-----------|---------------|--------------|-------------------|---------------|
| Borrowings (excluding lease liabilities)                  | 80.17           | -         | -             | 80.17        | -                 | 80.17         |
| Other financial liabilities (excluding lease liabilities) | 2.43            | -         | 2.43          | -            | -                 | 2.43          |
| Trade payables                                            | 182.86          | -         | 182.86        | -            | -                 | 182.86        |
| Lease Liabilities (Current + Non current)                 | 17.40           | -         | 4.42          | 4.93         | 8.05              | 17.40         |
| <b>Total</b>                                              | <b>282.86</b>   | <b>-</b>  | <b>189.71</b> | <b>85.10</b> | <b>8.05</b>       | <b>282.86</b> |
| As at 31 March 2020                                       | Carrying amount | On demand | Upto 1 Year   | 1-3 year     | More than 3 years | Total         |
| Borrowings (excluding lease liabilities)                  | 91.49           | -         | -             | 91.49        | -                 | 91.49         |
| Other financial liabilities (excluding lease liabilities) | 0.57            | -         | 0.57          | -            | -                 | 0.57          |
| Trade payables                                            | 58.31           | -         | 58.31         | -            | -                 | 58.31         |
| Lease Liabilities (Current + Non current)                 | 6.30            | -         | 3.59          | 2.71         | -                 | 6.30          |
| <b>Total</b>                                              | <b>156.67</b>   | <b>-</b>  | <b>62.46</b>  | <b>94.20</b> | <b>-</b>          | <b>156.67</b> |
| As at 31 March 2019 (Proforma)                            | Carrying amount | On demand | Upto 1 Year   | 1-3 year     | More than 3 years | Total         |
| Borrowings (excluding lease liabilities)                  | -               | -         | -             | -            | -                 | -             |
| Other financial liabilities (excluding lease liabilities) | 52.42           | -         | 52.42         | -            | -                 | 52.42         |
| Trade payables                                            | 97.60           | -         | 97.60         | -            | -                 | 97.60         |
| Lease Liabilities (Current + Non current)                 | 4.30            | -         | 1.70          | 2.60         | -                 | 4.30          |
|                                                           | <b>154.33</b>   | <b>-</b>  | <b>151.72</b> | <b>2.60</b>  | <b>-</b>          | <b>154.32</b> |
| As at 31 March 2018 (Proforma)                            | Carrying amount | On demand | Upto 1 Year   | 1-3 year     | More than 3 years | Total         |
| Borrowings (excluding lease liabilities)                  | -               | -         | -             | -            | -                 | -             |
| Other financial liabilities (excluding lease liabilities) | -               | -         | -             | -            | -                 | -             |
| Trade payables                                            | 52.65           | -         | 52.65         | -            | -                 | 52.65         |
| Lease Liabilities (Current + Non current)                 | -               | -         | -             | -            | -                 | -             |
| <b>Total</b>                                              | <b>52.65</b>    | <b>-</b>  | <b>52.65</b>  | <b>-</b>     | <b>-</b>          | <b>52.65</b>  |



**(iv) Excessive risk concentration**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

**(v) Risk related to COVID-19**

The Group has considered possible effect that may result from pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, inventories, receivables, other current assets and on its assessment relating to going concern. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group as at the date of approval of the Restated Consolidated Financial Information has used internal and external sources on the expected future performance of the Group, including the Group's performance from July 2020 onwards which has been better than expectations considering the increase in demand in the home healthcare and wellness products. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered with no consequential impacts on its assessment related to going concern. The impact of Covid - 19 on the Group's Restated Consolidated Financial Information may differ from that estimated as at the date of approval of the Restated Consolidated Financial Information.

**Note 35 - Capital management**

For the purpose of the Group's capital management, capital includes issued equity share capital, and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximize the shareholder's value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions, business strategies and future commitments. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, trade payables and borrowings, less cash and cash equivalents.

| Particulars                                    | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|------------------------------------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| Trade payables (Refer note 15)                 | 182.86                     | 58.31                  | 97.60                                | 52.65                                |
| Borrowings (Refer note 13)                     | 97.57                      | 97.79                  | 4.30                                 | -                                    |
| Less: cash and cash equivalents (Refer note 7) | 108.62                     | 0.74                   | 1.11                                 | 0.69                                 |
| <b>Net debt</b>                                | <b>171.81</b>              | <b>155.36</b>          | <b>100.79</b>                        | <b>51.96</b>                         |
| Equity share capital (Refer note 11)           | 70.00                      | 0.10                   | 0.10                                 | 0.10                                 |
| Other equity (Refer note 12)                   | 446.45                     | 149.24                 | 79.35                                | 17.10                                |
| <b>Total capital</b>                           | <b>516.45</b>              | <b>149.34</b>          | <b>79.45</b>                         | <b>17.20</b>                         |
| Capital and net debt                           | 688.26                     | 304.69                 | 180.24                               | 69.16                                |
| <b>Gearing ratio</b>                           | <b>24.96%</b>              | <b>50.99%</b>          | <b>55.92%</b>                        | <b>75.13%</b>                        |

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to maintain investor, creditor and market confidence and to sustain future development of the business.

**Note 36 - Business combination**

The Company has taken the effect of demerger as per the scheme of arrangement ('Scheme') among Nectar Biopharma Private Limited (demerged company) and Nureca Private Limited (resulting company) and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act 2013, which has been sanctioned by the Honorable National Company Law Tribunal, Mumbai vide its order dated 29 April 2020.

The Scheme has become effective on 23 May 2020 ("Effective date") on filing of certified copy of the order with the Registrar of Companies. The appointed date from which the Scheme is operative 1 April 2019 (the "appointed date").

Pursuant to the scheme of arrangement, certain portion of business activities of the demerged company as defined in Scheme along with all related assets, liabilities, employees, rights, powers. etc including its investment in the subsidiary Nureca Inc ('Specified Undertaking') was transferred by Nectar Biopharma Private Limited from the appointed date of 1 April 2019. The said demerger has been accounted as a common control business combination in line with the principles prescribed under Ind AS 103 "Business Combinations". Accordingly, the Scheme has been given effect by combining all assets and liabilities of the specified undertaking of the demerged company with the assets and liabilities of the resulting company at their carrying amounts and preserving the identity of the reserves in the same form as they appeared in the financial statements of the demerged company. Since this is a common control transaction, the financial information in respect of prior periods has been restated as if the business combination had occurred from the beginning of the preceding period in the restated consolidated financial information, irrespective of the actual date of the combination.

As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorised share capital of the resulting company shall automatically stand increased, without any further act, instrument or deed on the part of the resulting company, such that upon the coming into effect of this Scheme, the authorised share capital of the resulting company shall be INR 10,000,000/- (Rupees ten millions only) divided into 1,000,000 (one million) equity shares of INR 10 (Rupee Ten Only). Consequently, Clause V of the Memorandum of Association of the resulting company shall, upon the coming into effect of this Scheme and without any further act or deed, be and stand altered, modified and substituted pursuant to Sections 13, 61 and 230 to 232 and other applicable provisions of the Act, as the case may be, and be replaced by the following clause:

"V. The Authorised Share Capital of the Company is INR. 10,000,000 (Rupees ten millions only) divided into 1,000,000 (one million) Equity Shares of INR. 10/ (Rupees ten millions only) each."

Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the certain portion of business activities of the demerged company in the resulting company in terms of Part II of the Scheme, the resulting company shall, without any further act or deed, issue and allot to the equity shareholders of the demerged company, whose name is recorded in the register of members or records of the depositories as members of the demerged company, on the Record Date, 1 (one) equity share of INR 10/- (Rupee ten only) each of the resulting company credited as fully paid-up for every 1(one) equity share of INR 10/- (Rupee ten only) each held by such shareholder of demerged company ("New Equity Shares").

It is clarified that no cash consideration shall be paid by the resulting company to the demerged company or its shareholders.

Book value of assets and liabilities related to the demerged undertaking of the demerged company transferred are as under:

| Particulars                                                                       | As at<br>1 April 2019 | As at<br>31 March 2018 | As at<br>1 April 2017 |
|-----------------------------------------------------------------------------------|-----------------------|------------------------|-----------------------|
| <b>ASSETS</b>                                                                     |                       |                        |                       |
| Property, plant and equipment                                                     | 0.62                  | 0.19                   | 0.08                  |
| Non-current Investments                                                           | 0.46                  | 0.46                   | 0.46                  |
| Loans (refer note (a) below)                                                      | 0.35                  | -                      | -                     |
| Inventories                                                                       | 127.14                | 33.71                  | 3.72                  |
| Trade Receivables                                                                 | 98.54                 | 18.12                  | 3.40                  |
| Cash and cash equivalents (refer note (a) below)                                  | 7.53                  | 3.65                   | 0.41                  |
| Deferred tax asset (net)                                                          | 0.07                  | 0.01                   | (0.01)                |
| Other financial assets                                                            | -                     | 26.93                  | -                     |
| Other current assets (refer note (a) below)                                       | 2.77                  | 0.72                   | 0.01                  |
| Other current assets                                                              | 2.78                  | 2.57                   | -                     |
| <b>Total assets</b>                                                               | <b>240.26</b>         | <b>86.36</b>           | <b>8.07</b>           |
| <b>LIABILITIES</b>                                                                |                       |                        |                       |
| Trade Payables                                                                    | 96.76                 | 52.56                  | 19.02                 |
| Borrowings (refer note (a) below)                                                 | 37.86                 | 3.17                   | -                     |
| Other financial liabilities (refer note (a) below)                                | -                     | 0.02                   | -                     |
| Other current liabilities (refer note (a) below)                                  | 2.15                  | 0.77                   | 0.44                  |
| Other current liabilities                                                         | 0.91                  | 0.14                   | 0.09                  |
| Current tax liability (refer note (a) below)                                      | 17.06                 | 12.67                  | 2.24                  |
| Provisions                                                                        | 0.32                  | 0.07                   | -                     |
| <b>Total liabilities</b>                                                          | <b>155.06</b>         | <b>69.40</b>           | <b>21.79</b>          |
| Share capital to be cancelled on account of arrangement                           | (0.10)                | (0.10)                 | (0.10)                |
| Retained earnings taken over                                                      | 98.25                 | 35.95                  | 5.27                  |
| <b>Net (liabilities) taken over (shown under capital reserve in other equity)</b> | <b>(12.96)</b>        | <b>(18.89)</b>         | <b>(18.89)</b>        |

Note (a) : In accordance with the terms of the scheme, the demerged company has retained certain assets and liabilities in its books for the sake of convenience and towards facilitating a single point of contact for realisation of assets and discharge of liabilities to third persons Accordingly, the demerged company has recognised a net receivable / payable from/to the resulting company.

**Nureca Limited**  
**Annexure VI : Notes to Restated Consolidated Financial Information**  
*(Amount in INR million, unless otherwise stated)*

**Note 37** - Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III

**As at 30 September 2020**

| Name of entity in the group         | Net Assets                         |               | Share in profit             |               | Share in other comprehensive income             |             | Share in total comprehensive income             |               |
|-------------------------------------|------------------------------------|---------------|-----------------------------|---------------|-------------------------------------------------|-------------|-------------------------------------------------|---------------|
|                                     | (Total assets - Total liabilities) |               | As % of consolidated profit | Amount        | As % of consolidated other comprehensive income | Amount      | As % of consolidated total comprehensive income | Amount        |
|                                     | As % of consolidated net assets    | Amount        |                             |               |                                                 |             |                                                 |               |
| <b>Parent</b>                       |                                    |               |                             |               |                                                 |             |                                                 |               |
| Nureca Limited                      | 100%                               | 516.79        | 100%                        | 362.38        | 116%                                            | 0.01        | 100%                                            | 362.39        |
| <b>Subsidiary</b>                   |                                    |               |                             |               |                                                 |             |                                                 |               |
| Nureca Inc                          | 0%                                 | 0.03          | 0%                          | (0.08)        | 13%                                             | 0.00        | 0%                                              | (0.08)        |
| Nureca Healthcare Private Limited   | 0%                                 | 0.08          | 0%                          | (0.02)        | 0%                                              | -           | -246%                                           | (0.02)        |
| Nureca Technologies Private Limited | 0%                                 | (0.38)        | 0%                          | (0.48)        | 0%                                              | -           | -5581%                                          | (0.48)        |
| <b>Elimination</b>                  | 0%                                 | (0.07)        | 0%                          | 0.00          | -29%                                            | (0.00)      | 0%                                              | (0.00)        |
| <b>Total</b>                        |                                    | <b>516.45</b> |                             | <b>361.80</b> |                                                 | <b>0.01</b> |                                                 | <b>361.81</b> |

**As at 31 March 2020**

| Name of entity in the group | Net Assets                         |               | Share in profit             |              | Share in other comprehensive income             |               | Share in total comprehensive income             |              |
|-----------------------------|------------------------------------|---------------|-----------------------------|--------------|-------------------------------------------------|---------------|-------------------------------------------------|--------------|
|                             | (Total assets - Total liabilities) |               | As % of consolidated profit | Amount       | As % of consolidated other comprehensive income | Amount        | As % of consolidated total comprehensive income | Amount       |
|                             | As % of consolidated net assets    | Amount        |                             |              |                                                 |               |                                                 |              |
| <b>Parent</b>               |                                    |               |                             |              |                                                 |               |                                                 |              |
| Nureca Limited              | 98%                                | 146.07        | 101%                        | 64.77        | 102%                                            | (0.04)        | 101%                                            | 64.73        |
| <b>Subsidiary</b>           |                                    |               |                             |              |                                                 |               |                                                 |              |
| Nureca Inc                  | 0%                                 | 0.11          | -0.2%                       | (0.14)       | -29.90%                                         | 0.01          | -0.20%                                          | (0.13)       |
| <b>Elimination</b>          | 2%                                 | 3.16          | -1.1%                       | (0.68)       | 28.04%                                          | (0.01)        | -1.07%                                          | (0.69)       |
| <b>Total</b>                |                                    | <b>149.34</b> |                             | <b>63.95</b> |                                                 | <b>(0.04)</b> |                                                 | <b>63.91</b> |

**As at 31 March 2019 (Proforma)**

| Name of entity in the group | Net Assets                         |              | Share in profit             |              | Share in other comprehensive income             |               | Share in total comprehensive income             |              |
|-----------------------------|------------------------------------|--------------|-----------------------------|--------------|-------------------------------------------------|---------------|-------------------------------------------------|--------------|
|                             | (Total assets - Total liabilities) |              | As % of consolidated profit | Amount       | As % of consolidated other comprehensive income | Amount        | As % of consolidated total comprehensive income | Amount       |
|                             | As % of consolidated net assets    | Amount       |                             |              |                                                 |               |                                                 |              |
| <b>Parent</b>               |                                    |              |                             |              |                                                 |               |                                                 |              |
| Nureca Limited              | 95%                                | 75.36        | 93%                         | 58.04        | 100%                                            | (0.01)        | 93%                                             | 58.03        |
| <b>Subsidiary</b>           |                                    |              |                             |              |                                                 |               |                                                 |              |
| Nureca Inc                  | 0.3%                               | 0.24         | 0%                          | (0.10)       | 95%                                             | (0.01)        | -0.17%                                          | (0.11)       |
| <b>Elimination</b>          | 4.8%                               | 3.85         | 7%                          | 4.32         | -95%                                            | 0.01          | 6.96%                                           | 4.33         |
| <b>Total</b>                |                                    | <b>79.45</b> |                             | <b>62.26</b> |                                                 | <b>(0.01)</b> |                                                 | <b>62.24</b> |

**As at 31 March 2018 (Proforma)**

| Name of entity in the group | Net Assets                         |              | Share in profit             |              | Share in other comprehensive income             |               | Share in total comprehensive income             |              |
|-----------------------------|------------------------------------|--------------|-----------------------------|--------------|-------------------------------------------------|---------------|-------------------------------------------------|--------------|
|                             | (Total assets - Total liabilities) |              | As % of consolidated profit | Amount       | As % of consolidated other comprehensive income | Amount        | As % of consolidated total comprehensive income | Amount       |
|                             | As % of consolidated net assets    | Amount       |                             |              |                                                 |               |                                                 |              |
| <b>Parent</b>               |                                    |              |                             |              |                                                 |               |                                                 |              |
| Nureca Limited              | 101%                               | 17.32        | 100%                        | 31.24        | 100.00%                                         | (0.00)        | 100%                                            | 31.24        |
| <b>Subsidiary</b>           |                                    |              |                             |              |                                                 |               |                                                 |              |
| Nureca Inc                  | 2.01%                              | 0.35         | -0.35%                      | (0.11)       | 0%                                              | (0.00)        | -0.36%                                          | (0.11)       |
| <b>Elimination</b>          | -2.75%                             | (0.47)       | -0.04%                      | (0.01)       | 0%                                              | 0.00          | 0%                                              | (0.01)       |
| <b>Total</b>                |                                    | <b>17.20</b> |                             | <b>31.12</b> |                                                 | <b>(0.00)</b> |                                                 | <b>31.12</b> |

**Note 38: Subsequent events / Key matters**

**a. Dissociation with Mr. Sanjiv Goyal, Mrs. Raman Goyal and Nectar Life Sciences Limited**

Pursuant to a family settlement, Mr. Saurabh Goyal (Promoter and Managing Director), Mr. Aryan Goyal (Chief Executive Officer) and their families disassociated from their parents Mr. Sanjiv Goyal and Mrs. Raman Goyal. The family settlement was effected by way of family partition deed dated 10 September 2020 entered into Mr. Saurabh Goyal, Aryan Goyal from their parents Sanjiv Goyal and Mrs. Raman Goyal in relation to the separation of assets and businesses. Sanjiv Goyal is the promoter and director in a pharmaceutical company known as Nectar Life Sciences Limited.

Pursuant to the family settlement, Mr. Saurabh Goyal and Mr. Aryan Goyal, by way of their letters dated 1 October 2020 and 30 September 2020 respectively addressed to the Board of Directors of Nectar Life Sciences Limited, SEBI, BSE and National Stock Exchange, have intimated that their shareholdings in Nectar Life Sciences Limited have been transferred to Mr. Sanjiv Goyal and his HUF by way of gift and expressed that they intended to be ceased from being classified as members of the promoter group of Nectar Life Sciences Limited.

**b. Appointment of Nectar Biopharma Private Limited as an agent**

On 9 May 2020, the Company entered into an agreement with Nectar Biopharma Private Limited to facilitate the operations of the Company in accordance with the applicable laws in India, with effect from 23 May 2020 (i.e. the effective date of the scheme of arrangement) until such time that the Company is able to fulfill all legal formalities including but not limited to transfer of relevant licenses and obtaining requisite approvals from appropriate authorities. Under this agreement, Nectar Biopharma Private Limited would act as agent of the Company and be responsible for procurement of goods, provision of business support services and further sale of goods on behalf of the Company for which Nectar Biopharma Private Limited is entitled to commission fees based on a percentage of sales and purchases made on behalf of the Company and service fee based on cost of services rendered which are considered to be at arms length.

Accordingly, the Company has recognised revenue from sales of products and purchase of stock in trade on gross basis and inventory held by Nectar Biopharma Private Limited at reporting date as its own inventory since the Company is the principal for the transaction. In doing so, the Company has evaluated that it controls the goods before it is transferred to the customer and considered that it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine that it controls the goods and therefore is acting as a principal.

**c. Search and seizure**

Search and seizure operations under section 132 of the Income Tax Act, 1961 / Section 37 A of the Wealth Tax Act, 1957 were carried out by the income tax department from 13 December 2020 to 15 December 2020 at residences of the Company's Promoter Saurabh Goyal, members of the Promoter Group Aryan Goyal, Payal Goyal and Smita Goyal in the case of "Nectar Life Sciences Limited alongside Sanjiv Goyal, Raman Goyal, Aryan Goyal, Saurabh Goyal, Payal Goyal and Smita Goyal". During the course of the search and seizure operations, the income tax authorities impounded certain items such as cash, jewellery and ornaments. Also refer to note 38 (a) above which explain in detail the dissociation arrangement entered between with Sanjiv Goyal, Raman Goyal and Nectar Life Sciences Limited.

Further, Search and seizure operations under section 132 of the Income Tax Act, 1961 / Section 37 A of the Wealth Tax Act, 1957 were carried out by the income tax department on 13 December 2020 at the residence of one of the Company's Director Rajinder Sharma in the case of Nectar Life Sciences Limited and Avensis Exports Private Limited. During the course of the search and seizure operations, the income tax authorities impounded a mobile set.

As on the date of approval of these financial statements, none of the Company's promoters, members of promoter group or directors have received further communication and / or notice from the income tax authorities in relation to the abovementioned search and seizure proceedings. The management believes that the transactions of the Company are fully compliant with the relevant provisions of the Income Tax Act, 1961 and hence, no provision is required for any tax liability.

**d. Preferential allotment of equity shares**

Pursuant to the approval of shareholders granted in the extra-ordinary general meeting held on 4 September 2020, the Company issued and allotted fully paid-up 53,000 equity shares of INR 10 each at a premium of INR 90 per share to non-promoter group against the share application money pending allotment of INR 5.30 million on 21 October 2020. Further, subsequent to the period ended 30 September 2020, the Company has also raised funds aggregating to INR 44.70 million by way of preferential allotment of 447,000 fully paid up equity shares of INR 10 each at a premium of INR 90 per share to non-promoter group.

**Note 39 - First time adoption**

The restated consolidated statement of assets and liabilities of the Group as at 30 September 2020 and the restated consolidated statement of profit and loss, the restated consolidated statement of changes in equity and the restated consolidated statement of cash flows for the period ended 30 September 2020 and restated other financial information has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

The restated consolidated financial information for the years ended 31 March 2019 and 31 March 2018 has been prepared on Proforma basis (i.e. "the Proforma Ind AS Restated Consolidated Financial Information") in accordance with requirements of SEBI Circular and Guidance Note. For the purpose of Proforma Ind AS Restated Consolidated Financial Information for the years ended 31 March 2019 and 31 March 2018, the Group has followed the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. 1 April 2019. Accordingly, suitable restatement adjustments (both re-measurements and reclassifications) in the accounting heads are made to the Proforma Ind AS Restated Consolidated Financial Information as of and for the years ended 31 March 2019 and 31 March 2018 following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions) consistent with that used at the date of transition to Ind AS (i.e. 1 April 2019).

In addition to the adjustments carried herein, the Group has also made material restatement adjustments in accordance with SEBI Circular and Guidance Note (refer Annexure VII). Together these constitute the restated consolidated financial information.

**Exemptions applied:**

**1 Mandatory exceptions:**

**a) Estimates**

On assessment of the estimates made under the previous GAAP financial statements, the Group has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Group for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL.
- Determination of the discounted value for financial instruments carried are amortised cost.
- Impairment of financial assets based on the expected credit loss model.

**b) Classification and measurement of financial assets:**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Group has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

**2 Optional exemptions:**

**a) Deemed cost for property, plant and equipment**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statement as at the date of transition to Ind AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition after making necessary adjustment for decommissioning liabilities. Accordingly, the Group has elected to measure all of its property, plant and equipment at their previous GAAP carrying value as at transition date 1 April 2019. For the purpose of Proforma consolidated Ind AS financial information for the year ended 31 March 2019 and 31 March 2018, the Group has provided the depreciation based on the estimated useful life of respective years.

**b) Leases**

The Group has adopted Ind AS 116 by applying exemption provided under Ind AS 101. Following approach is followed on transition date (1 April 2019) when applying Ind AS 116 initially:

- i) lease liability is recognised, for leases which were previously classified as operating leases, by measuring the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.
  - ii) a right-of-use assets is recognised at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the restated consolidated statement of assets and liabilities immediately before the date of initial application.
- The Group also applied the available practical expedients wherein it:
- a) Used a single discount rate to a portfolio of leases with reasonably similar characteristics
  - b) Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
  - c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

**II. Reconciliation of total equity between previous GAAP and Ind AS**

| Particulars                                              | Notes | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|----------------------------------------------------------|-------|------------------------|--------------------------------------|--------------------------------------|
| <b>Total equity reported earlier under previous GAAP</b> |       | <b>149.55</b>          | <b>0.47</b>                          | <b>0.26</b>                          |
| (i) Ind AS adjustments                                   |       |                        |                                      |                                      |
| - Leases                                                 | a     | (0.24)                 | (0.07)                               | -                                    |
| - Financial assets measured at amortised cost            | b     | (0.00)                 | -                                    | -                                    |
| - Business combination (common control transaction)      | c     | -                      | 79.04                                | 16.96                                |
| - Right to return                                        | d     | (0.03)                 | -                                    | -                                    |
| - Tax adjustments                                        | h     | 0.06                   | 0.02                                 | -                                    |
| (ii) Restatement adjustments (Refer annexure VII)        |       | -                      | (0.01)                               | (0.02)                               |
| <b>Total equity as per Ind AS</b>                        |       | <b>149.34</b>          | <b>79.45</b>                         | <b>17.20</b>                         |

**III. Reconciliation of total comprehensive income between previous GAAP and Ind AS**

| Particulars                                                            |   | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|------------------------------------------------------------------------|---|------------------------|--------------------------------------|--------------------------------------|
| <b>Profit for the year reported earlier under previous GAAP</b>        |   | <b>64.10</b>           | <b>0.21</b>                          | <b>0.16</b>                          |
| (i) Ind AS adjustments                                                 |   |                        |                                      |                                      |
| - Leases                                                               | a | (0.24)                 | (0.07)                               | -                                    |
| - Financial assets measured at amortised cost                          | b | (0.00)                 | -                                    | -                                    |
| - Business combination (common control transaction)                    | c | -                      | 62.07                                | 30.70                                |
| - Right to return                                                      | d | (0.03)                 | -                                    | -                                    |
| - Remeasurements of the defined benefit obligation reclassified to OCI | e | 0.06                   | 0.00                                 | (0.00)                               |
| - Items reclassified to OCI                                            | f | (0.01)                 | 0.01                                 | 0.00                                 |
| - Tax adjustments                                                      | h | 0.06                   | 0.02                                 | 0.00                                 |
| (ii) Restatement adjustments (Refer annexure VII)                      |   | 0.01                   | 0.01                                 | 0.26                                 |
| <b>Profit for the year reported earlier under Ind AS</b>               |   | <b>63.95</b>           | <b>62.25</b>                         | <b>31.12</b>                         |
| Other comprehensive income (net of tax)                                |   | (0.04)                 | (0.01)                               | (0.00)                               |
| <b>Total comprehensive Income as reported under Ind AS</b>             |   | <b>63.91</b>           | <b>62.24</b>                         | <b>31.12</b>                         |

**IV. Impact of Ind AS adoption on the Restated Statement of Cash Flows**

There were no material differences between the restated summary statement of cash flows and cash flow statement under previous GAAP (as adjusted for the impact of the arrangement).

**V. Notes to first time adoption**

**a Leases**

Under previous GAAP, lessee classified a lease as an operating or a finance lease based on whether or not the lease transferred substantially all risk and rewards incident to the ownership of an asset. Operating lease were expensed in the statement of profit and loss. Under Ind AS 116, all arrangement that fall under the definition of lease except those for which short-term lease exemption or low value exemption is applied, the Group has recognised a right-of-use assets and a lease liability on the lease commencement date. Right-of-use assets is amortised over the lease term on a straight line basis and lease liability is measured at amortised cost at the present value of future lease payments.

**The impact arising from the change is as follows:**

| Restated Statement of Profit and Loss                                                       | Increase/ (decrease)                |                                                   |                                                   |
|---------------------------------------------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
|                                                                                             | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
| Rent expense                                                                                | 3.36                                | 0.41                                              | -                                                 |
| Interest expense on financial liabilities measured at amortised cost - on lease liabilities | (0.65)                              | (0.10)                                            | -                                                 |
| Depreciation expense                                                                        | (2.95)                              | (0.38)                                            | -                                                 |
| <b>Adjustment before income tax - Profit / (loss)</b>                                       | <b>(0.24)</b>                       | <b>(0.07)</b>                                     | <b>-</b>                                          |

| Restated Statement of Assets and Liabilities | Increase/ (decrease)   |                                      |                                      |
|----------------------------------------------|------------------------|--------------------------------------|--------------------------------------|
|                                              | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
| Assets: Right-of-use assets                  | 6.09                   | 4.23                                 | -                                    |
| Liabilities: Lease liabilities (Borrowings)  | 6.30                   | 4.30                                 | -                                    |

**b Financial assets measured at amortised cost**

Under previous GAAP, the security deposits paid for lease rent are shown at the transaction value. Whereas under Ind AS, the same are initially discounted and subsequently recorded at amortized cost at the end of every financial reporting period/year. Accordingly, the difference between the transaction and discounted value of the security deposits paid is recognized as right-of-use assets and is amortized over the period of the lease term .Further, interest is accreted on the present value of the security deposits paid for lease rent.

**The impact arising from the change is as follows:**

| Restated Statement of Profit and Loss                   | Increase/ (decrease)                |                                                   |                                                   |
|---------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
|                                                         | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
| Interest income from financial assets at amortized cost | 0.02                                | -                                                 | -                                                 |
| Depreciation expense                                    | (0.02)                              | -                                                 | -                                                 |
| <b>Adjustment before income tax - Profit / (loss)</b>   | <b>(0.00)</b>                       | <b>-</b>                                          | <b>-</b>                                          |

| Restated Statement of Assets and Liabilities | Increase/ (decrease)   |                                      |                                      |
|----------------------------------------------|------------------------|--------------------------------------|--------------------------------------|
|                                              | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
| Asset: Loans                                 | (0.05)                 | -                                    | -                                    |
| Asset: Right of use asset                    | 0.05                   | -                                    | -                                    |
| Other equity: Retained earnings              | -                      | -                                    | -                                    |

**c Business combination (common control transaction)**

The Group has taken the effect of demerger as per the scheme of arrangement ('Scheme') among Nectar Biopharma Private Limited (demerged company) and Nureca Private Limited (resulting company) and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act 2013, which has been sanctioned by the Honourable National Company Law Tribunal, Mumbai vide its order dated 29 April 2020.

The Scheme has become effective on 23 May 2020 ("Effective date") on filing of certified copy of the order with the Registrar of Companies. The appointed date from which the Scheme is operative 1 April 2019 (the "appointed date") and accordingly the effect was previously considered in the financial statements prepared under the previous GAAP for the year ended 31 March 2020.

The said demerger has been accounted as a common control business combination in line with the principles prescribed under Ind AS 103 “Business Combinations”. Accordingly, the Scheme has been given effect by combining all assets and liabilities of the transferor companies with the assets and liabilities of the transferee company at their carrying amounts and preserving the identity of the reserves in the same form as they appeared in the financial statements of the transferor companies. The financial information in the financial statements in respect of prior periods has been restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

| Statement of Assets and Liabilities                               | Increase/ (decrease)   |                                      |                                      |
|-------------------------------------------------------------------|------------------------|--------------------------------------|--------------------------------------|
|                                                                   | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
| Capital reserve                                                   | -                      | 5.83                                 | (27.14)                              |
| Equity share capital pending cancellation pursuant to arrangement | -                      | 0.10                                 | 0.10                                 |
| Recoverable on account of arrangement                             | -                      | (5.93)                               | 27.04                                |

d Right to return

Under Ind AS 115, a refund liability for the expected refunds to customers is recognised as adjustment to revenue as refund liability in other current liabilities. At the same time, the Group has a right to recover the product from the customer where the customer exercises his right to return and recognises an asset and a corresponding adjustment to changes in inventories. The asset is measured in reference to the former carrying amount of the product. The costs to recover the products are not material because the customer usually returns the product in a saleable condition.

e Remeasurements of the defined benefit plans reclassified to OCI

Under Previous GAAP, the Company recognised remeasurement of defined benefit plans under Statement of Profit and Loss. Under Ind AS, remeasurement of defined benefit plans are recognised immediately in the Restated Consolidated Financial Information with a corresponding debit or credit to retained earnings through OCI.

f Items reclassified to OCI

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as ‘other comprehensive income’ includes change in fair value of investments which are classified at fair value through OCI. Remeasurements of defined benefit obligation and exchange differences on translation of foreign operations. The concept of other comprehensive income did not exist under previous GAAP.

g Deferred tax assets (net)

Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or through other comprehensive income.

| The impact arising from the change is as follows:      |                                     |                                                   |                                                   |
|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Restated Statement of Profit and Loss                  | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
| Deferred tax impact on lease                           | 0.06                                | 0.02                                              | -                                                 |
| Deferred tax impact on discounting of security deposit | 0.00                                | -                                                 | -                                                 |
| Adjustment before income tax - Profit / (loss)         | 0.06                                | 0.02                                              | -                                                 |
| Deferred tax impact on preliminary expenses            | (0.01)                              | (0.00)                                            | (0.00)                                            |
| Adjustment before income tax - Profit / (loss)         | (0.01)                              | (0.00)                                            | (0.00)                                            |

| Increase/ (decrease)                                     |                        |                                      |                                      |
|----------------------------------------------------------|------------------------|--------------------------------------|--------------------------------------|
| Restated Statement of Assets and Liabilities             | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
| Assets: Deferred tax assets (net)                        |                        |                                      |                                      |
| - Deferred tax impact on lease adjustment                | 0.06                   | 0.02                                 | -                                    |
| - Deferred tax impact on discounting of security deposit | 0.00                   | -                                    | -                                    |

VI. Regrouping / reclassification

Appropriate adjustments have been made in the Restated Consolidated Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the Ind AS presentation requirements.

**Note 40**  
Ministry of Corporate Affairs ("MCA") notifies new amendments to the existing standards. A number of amendments to Ind ASs became effective from 24 July 2020:

| Ind AS                                                                     | Amendments                                                                               |
|----------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| Ind AS 103 - Business Combinations                                         | Amendments to clarify the definitions of a business                                      |
| Ind AS 107 - Financial Instruments: Disclosures                            | Amendments regarding pre- placements issues in the context of the IBOR reform            |
| Ind AS 109 - Financial Instruments                                         | Amendments regarding pre- placements issues in the context of the IBOR reform            |
| Ind AS 8 - Accounting Policies, Changes in accounting Estimates and Errors | Amendments regarding the definition of material.                                         |
| Ind AS 116 - Leases                                                        | Practical expedient for treatment of rent concession and covid related rent concessions. |
| Ind AS 10 -Events after the Reporting Period                               | Amendments in effect of changes in the definition of material.                           |
| Ind AS 34 - Interim Financial Reporting                                    | Amendments in effect of changes in the definition of material.                           |
| Ind AS 1 - Presentation of Financial Statements                            | Amendments regarding the definition of material.                                         |
| Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets       | Amendments in effect of changes in the definition of material.                           |

These amendments does not have any impact on the Restated Consolidated Financial Information.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm registration number: 101248W/W-100022

For and on behalf of Board of Directors of  
**Nureca Limited**

**Gaurav Mahajan**  
Partner  
Membership Number : 507857

**Saurabh Goyal**  
Managing Director  
DIN : 00136037

**Rajinder Sharma**  
Director  
DIN : 00317133

**Aryan Goyal**  
Chief Executive Officer

**Sakshi Mittal**  
Chief Financial Officer

**Gurvikram Singh**  
Company Secretary  
Membership Number: 60255

Place: Chandigarh  
Date: 19 January 2021

Place: Chandigarh  
Date: 19 January 2021

**Nureca Limited**  
**Annexure VII - Statement of Adjustments to the Restated Consolidated Financial information**  
*(Amount in INR million, unless otherwise stated)*

Summarised below are the restatement adjustments made to equity for the period/years ended 30 September 2020, 31 March 2020, 31 March 2019 and 31 March 2018, and their consequential impact on the equity of the Group:

| Particulars                                                                                           | Notes             | As at<br>30 September 2020 | As at<br>31 March 2020 | As at<br>31 March 2019<br>(Proforma) | As at<br>31 March 2018<br>(Proforma) |
|-------------------------------------------------------------------------------------------------------|-------------------|----------------------------|------------------------|--------------------------------------|--------------------------------------|
| <b>A. Total Equity as per Audited Financial Statements/ Total equity reported under previous GAAP</b> |                   | <b>516.45</b>              | <b>149.55</b>          | <b>0.47</b>                          | <b>0.26</b>                          |
| <b>B. Total Ind AS adjustments</b>                                                                    |                   |                            |                        |                                      |                                      |
| - Leases                                                                                              | 39 of Annexure VI | -                          | (0.24)                 | (0.07)                               | -                                    |
| - Financial assets measured at amortised cost                                                         | 39 of Annexure VI | -                          | (0.00)                 | -                                    | -                                    |
| - Business combination (common control transaction)                                                   | 39 of Annexure VI | -                          | -                      | 79.04                                | 16.96                                |
| - Right to return                                                                                     | 39 of Annexure VI | -                          | (0.03)                 | -                                    | -                                    |
| - Tax adjustments                                                                                     | 39 of Annexure VI | -                          | 0.06                   | 0.02                                 | -                                    |
|                                                                                                       |                   | <b>-</b>                   | <b>(0.21)</b>          | <b>78.99</b>                         | <b>16.96</b>                         |
| <b>C. Total equity as per Ind AS (A+B)</b>                                                            |                   | <b>516.45</b>              | <b>149.34</b>          | <b>79.46</b>                         | <b>17.22</b>                         |
| <b>D. Adjustments:</b>                                                                                |                   |                            |                        |                                      |                                      |
| <b>Material restatement adjustments</b>                                                               |                   |                            |                        |                                      |                                      |
| <b>(i) Audit qualifications</b>                                                                       |                   | -                          | -                      | -                                    | -                                    |
| <b>(ii) Adjustments due to prior period items / other adjustment</b>                                  |                   |                            |                        |                                      |                                      |
| Preliminary expenses                                                                                  | 3b                | -                          | -                      | (0.02)                               | (0.03)                               |
| Trade payable                                                                                         |                   | -                          | 20.13                  | -                                    | -                                    |
| Inventories                                                                                           |                   | -                          | (20.13)                | -                                    | -                                    |
| Equity share capital                                                                                  |                   | -                          | 9.90                   | -                                    | -                                    |
| Other equity                                                                                          |                   | -                          | (9.90)                 | -                                    | -                                    |
| <b>Total</b>                                                                                          |                   | <b>-</b>                   | <b>-</b>               | <b>(0.02)</b>                        | <b>(0.03)</b>                        |
| <b>(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable</b>                        |                   |                            |                        |                                      |                                      |
| Deferred tax impact on restatement adjustments                                                        |                   | -                          | -                      | 0.01                                 | 0.01                                 |
|                                                                                                       |                   | <b>-</b>                   | <b>-</b>               | <b>0.01</b>                          | <b>0.01</b>                          |
| <b>E. Total impact of adjustments (i + ii + iii)</b>                                                  |                   | <b>-</b>                   | <b>-</b>               | <b>(0.01)</b>                        | <b>(0.02)</b>                        |
| <b>F. Total equity as per restated consolidated financial information (C+E)</b>                       |                   | <b>516.45</b>              | <b>149.34</b>          | <b>79.45</b>                         | <b>17.20</b>                         |

Summarised below are the restatement adjustments made to the net profit after tax for the period/years ended 30 September 2020, 31 March 2020, 31 March 2019 and 31 March 2018 their impact on the profit / (loss) of the Group:

| Particulars                                                                                                                  | Notes             | For the period<br>1 April 2020 to<br>30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019<br>(Proforma) | For the year ended<br>31 March 2018<br>(Proforma) |
|------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------------------------------------|-------------------------------------|---------------------------------------------------|---------------------------------------------------|
| <b>A. Net Profit after tax as per Audited Financial Statements/ Profit for the year reported earlier under previous GAAP</b> |                   | <b>361.80</b>                                          | <b>64.10</b>                        | <b>0.21</b>                                       | <b>0.16</b>                                       |
| <b>B. Total Ind AS adjustments (as explained in note 39 of Annexure VI)</b>                                                  |                   |                                                        |                                     |                                                   |                                                   |
| - Leases                                                                                                                     | 39 of Annexure VI | -                                                      | (0.24)                              | (0.07)                                            | -                                                 |
| - Financial assets measured at amortised cost                                                                                | 39 of Annexure VI | -                                                      | (0.00)                              | -                                                 | -                                                 |
| - Business combination (common control transaction)                                                                          | 39 of Annexure VI | -                                                      | -                                   | 62.07                                             | 30.70                                             |
| - Right to return                                                                                                            | 39 of Annexure VI | -                                                      | (0.03)                              | -                                                 | -                                                 |
| - Remeasurements of the defined benefit obligation reclassified to OCI                                                       | 39 of Annexure VI | -                                                      | 0.06                                | 0.00                                              | (0.00)                                            |
| - Items reclassified to to OCI                                                                                               | 39 of Annexure VI | -                                                      | (0.01)                              | 0.01                                              | 0.00                                              |
| - Tax adjustments                                                                                                            | 39 of Annexure VI | -                                                      | 0.06                                | 0.02                                              | 0.00                                              |
|                                                                                                                              |                   | <b>-</b>                                               | <b>(0.16)</b>                       | <b>62.03</b>                                      | <b>30.70</b>                                      |
| <b>C. Net profit after tax as per Ind AS (A+B)</b>                                                                           |                   | <b>361.80</b>                                          | <b>63.94</b>                        | <b>62.24</b>                                      | <b>30.86</b>                                      |
| <b>D. Adjustments:</b>                                                                                                       |                   |                                                        |                                     |                                                   |                                                   |
| <b>Material restatement adjustments</b>                                                                                      |                   |                                                        |                                     |                                                   |                                                   |
| <b>(i) Audit qualifications</b>                                                                                              |                   | -                                                      | -                                   | -                                                 | -                                                 |
| <b>(ii) Adjustments due to prior period items / other adjustment</b>                                                         |                   |                                                        |                                     |                                                   |                                                   |
| Prior period items                                                                                                           | 3a                | -                                                      | -                                   | -                                                 | 0.26                                              |
| Preliminary expenses                                                                                                         | 3b                | -                                                      | 0.02                                | 0.01                                              | 0.01                                              |
| Purchase of stock in trade                                                                                                   |                   | -                                                      | 20.13                               | -                                                 | -                                                 |
| Changes in inventories                                                                                                       |                   | -                                                      | (20.13)                             | -                                                 | -                                                 |
|                                                                                                                              |                   | <b>-</b>                                               | <b>0.02</b>                         | <b>0.01</b>                                       | <b>0.27</b>                                       |
| <b>(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable</b>                                               |                   |                                                        |                                     |                                                   |                                                   |
| Deferred tax impact on restatement adjustments                                                                               | 3d                | -                                                      | (0.01)                              | -                                                 | (0.01)                                            |
|                                                                                                                              |                   | <b>-</b>                                               | <b>(0.01)</b>                       | <b>-</b>                                          | <b>(0.01)</b>                                     |
| <b>E. Total impact of adjustments (i + ii + iii)</b>                                                                         |                   | <b>-</b>                                               | <b>0.01</b>                         | <b>0.01</b>                                       | <b>0.26</b>                                       |
| <b>F. Net profit after tax as per restated consolidated financial information (C+E)</b>                                      |                   | <b>361.80</b>                                          | <b>63.95</b>                        | <b>62.25</b>                                      | <b>31.12</b>                                      |

**Note to adjustment:**

**1. Adjustments for audit qualification:** None

**2. Material regrouping**

Appropriate adjustments have been made in the restated consolidated financial information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the Division II Ind AS Schedule III of the Companies Act, 2013 ('the Act') and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended). Accordingly, the Group has presented the Restated consolidated financial information as at and for the years ended 31 March 2020, 31 March 2019 and 31 March 2018 following the requirements of Schedule III of the Act.

**Nureca Limited****Annexure VII - Statement of Adjustments to the Restated Consolidated Financial information***(Amount in INR million, unless otherwise stated)***3. Material restatement adjustments****a. Prior period items**

During the year ended 31 March 2018, Group has recognised prior period expense such as interest on income tax pertaining to year ended 31 March 2017. Hence, this expense is debited to retained earning as at 01 April 2017 and prior period expense booked in year ended 31 March 2018. During the year ended 31 March 2018, Group has recognised prior period expense such as interest on income tax pertaining to year ended 31 March 2017. Hence, this expense is debited to retained earning as at 01 April 2017 and prior period expense booked in year ended 31 March 2018 is reversed. The Group has now recognised provision for gratuity and leave encashment for the year ended 31 March 2017 which were not booked earlier. Accordingly, the amount is debited to retained earning as at 1 April 2017.

**b. Preliminary expenses**

Under previous GAAP, Group has incurred preliminary expenses at the time of formation of the Company and the same was recognised as non-current asset with corresponding debit to Statement of Profit and Loss over a period of 4 years. However, these expenses should have been debited to Statement of Profit and Loss when these were incurred. Accordingly, the amount has been debited to retained earnings as on 1 April 2017 and amortisation charged to Statement of Profit and Loss during the year ended 31 March 2018, 31 March 2019 and 31 March 2020 is reversed.

**c. Deferred tax assets (net)**

Deferred tax has been computed on adjustments made as detailed above and has been adjusted in the restated consolidated financial information.

**d. Others**

(i) Purchases made during the year ended 31 March 2020 which were in-transit as at reporting date have been recorded in the same year resulting in corresponding impact on purchase of stock-in-trade, changes in inventories, trade payable and inventory. There is no impact of the same on the total equity as at 31 March 2020 and total comprehensive income for the year ended 31 March 2020.

(ii) Share capital pending allotment pursuant to the scheme of arrangement was earlier presented under equity share capital under previous GAAP which has now been presented under other equity under Ind AS. There is no impact of the same on the total equity as at 31 March 2020 and total comprehensive income for the year ended 31 March 2020.

**4. Non-adjusting items:****a. Emphasis of matters in the Auditors' report which do not require any corrective adjustments in the Restated Financial Information****For the period ended 30 September 2020**

The auditors' report has drawn attention in respect of the special purpose interim consolidated financial statements which describes the accounting for the Scheme of Arrangement ('Scheme') between the Company and Nectar Biopharma Private Limited, erstwhile Holding Company. The Scheme has been approved by the Honourable National Company Law Tribunal ('NCLT') vide its order dated 29 April 2020 and a certified copy has been filed by the Company with the Registrar of Companies, Mumbai, on 23 May 2020. The appointed date as per the NCLT approved Scheme is 1 April 2019 and as per the requirements of Appendix C to Ind AS 103 "Business Combinations", the combination has been accounted for as if it had occurred from the beginning of the preceding period in the financial statements. Accordingly, the amounts for the period from 1 April 2020 to 30 September 2020 include the impact of the business combination have been restated by the Company after recognising the effect of the arrangement as above.

**For the year ended 31 March 2020**

During the year ended 31 March 2020, the Company has recorded the effect of demerger as per the scheme of arrangement ('Scheme') among Nectar Biopharma Private Limited (demerged company) and Nureca Limited (resulting company) and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act 2013, which has been sanctioned by the Honourable National Company Law Tribunal, Mumbai vide its order dated 29 April 2020. The Scheme has become effective on 23 May 2020 ("Effective date") on filing of certified copy of the order with the Registrar of Companies. The appointed date from which the scheme is operative is 1 April 2019 (the "appointed date"). Pursuant to the above, the Company has accounted for the assets and liabilities so transferred at the book value from demerged company along with the portion of retained earnings pertaining to the specified undertaking and have recorded other adjustments as necessary as stipulated in the Scheme which is also in accordance with the relevant accounting standard.

**b. Audit Qualifications in Annexure to Auditors' Report, which do not require any corrective adjustments in the Restated Financial Information**

In addition to the audit opinion on the consolidated financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 ("the CARO 2016 Order") issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 on the standalone financial statements as at and for the financial years ended 31 March 2018, 31 March 2019 and 31 March 2020 respectively. Certain statements/comments included in the CARO in the standalone financial statements, which do not require any adjustments in the Restated Consolidated Financial Information are reproduced below in respect of the financial statements presented.

**For the year ended 31 March 2020****Clause (vii) (a) of CARO 2016 Order**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Employee's State Insurance, Goods and Services Tax ('GST'), Income-tax, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in few cases of Income Tax and GST during the year. Further, undisputed dues relating to Provident fund have not been regularly deposited with the appropriate authorities and there have been serious delays in a large number of cases.

| Particulars    | Period to which amount relates    | Amount (in INR)* |
|----------------|-----------------------------------|------------------|
| Provident fund | 1 April 2019 to 30 September 2019 | INR 66,518       |

\*excluding interest and penalties as applicable



**Nureca Limited****Annexure VIII - Restated consolidated summary statement of other income***(Amount in INR million, unless otherwise stated)*

| Particulars                                         | Nature<br>(Recurring/ Non-recurring) |      | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019 | For the year ended<br>31 March 2018 |
|-----------------------------------------------------|--------------------------------------|------|--------------------------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Interest income                                     | Recurring                            |      | 2.97                                                   | 0.18                                | -                                   | -                                   |
| Exchange gain on foreign exchange fluctuation (net) | Recurring                            |      | 5.22                                                   | 0.41                                | 0.85                                | -                                   |
| Income on unwinding of security deposit             | Recurring                            | 0.00 |                                                        | 0.02                                | -                                   | -                                   |
| Miscellaneous income                                | Non-Recurring                        |      | 0.09                                                   | -                                   | 0.01                                | -                                   |
|                                                     |                                      |      | <b>8.28</b>                                            | <b>0.61</b>                         | <b>0.86</b>                         | -                                   |

*Other income arising out of business activities other than the normal business activities*

**Nureca Limited**  
**Annexure IX - Restated Consolidated Statement of Accounting Ratios**  
*(Amount in INR million, unless otherwise stated)*

|                                                                         | For the period<br>1 April 2020<br>to 30 September 2020 | For the year ended<br>31 March 2020 | For the year ended<br>31 March 2019 | For the year ended<br>31 March 2018 |
|-------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Basic Earnings Per Share *                                              | 51.69                                                  | 9.14                                | 8.89                                | 4.45                                |
| Diluted Earnings Per Share *                                            | 51.69                                                  | 9.14                                | 8.89                                | 4.45                                |
| Return on net worth for equity shareholder (%) *                        | 70.06%                                                 | 42.82%                              | 78.37%                              | 180.88%                             |
| Net asset value per share (INR) *                                       | 73.78                                                  | 14,933.58                           | 7,944.88                            | 1,720.41                            |
| Net Profit after tax attributable to Owners (INR in Million)            | 361.80                                                 | 63.95                               | 62.26                               | 31.12                               |
| Weighted average number of equity shares for Basic Earnings Per Share   | 7,000,000                                              | 7,000,000                           | 7,000,000                           | 7,000,000                           |
| Weighted average number of equity shares for Diluted Earnings Per Share | 7,000,000                                              | 7,000,000                           | 7,000,000                           | 7,000,000                           |
| Number of equity shares outstanding at the end of the period/year       | 7,000,000                                              | 10,000                              | 10,000                              | 10,000                              |
| Share Capital (INR in Million)                                          | 70.00                                                  | 0.10                                | 0.10                                | 0.10                                |
| Reserves (Other equity), as restated (INR in Million)                   | 446.45                                                 | 149.24                              | 79.35                               | 17.10                               |
| Net worth, as restated (INR in Million)                                 | 516.45                                                 | 149.34                              | 79.45                               | 17.20                               |

\* presented in two decimals

**Notes:**

1. The ratios on the basis of restated consolidated financial information have been computed as below:

$$\text{Basic earning per share} = \frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares}}$$

$$\text{Diluted earning per share} = \frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares}}$$

$$\text{Return on net worth (\%)} = \frac{\text{Net profit after tax, as restated}}{\text{Restated Net Worth}}$$

$$\text{Net assets value per share (INR)} = \frac{\text{Net worth as restated at the end of the year}}{\text{Number of equity shares outstanding at the end of the period/year}}$$

2. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3. Net Worth = Equity share capital + Other Equity (including Securities Premium and Surplus/ (Deficit))

4. The above ratios have been computed on the basis of the Restated Consolidated Financial Information

5. The above have been computed on the basis of the Restated Consolidated Financial Information and the issue and allotment of fully paid-up bonus shares at par in proportion of six new equity share of INR 10 each for every one existing fully paid up equity share of INR 10 each held as on the record date of 02 September 2020.

## OTHER FINANCIAL INFORMATION

In accordance with the SEBI ICDR Regulations:

- The standalone audited financial statements of our Company for Fiscal 2018, 2019 and 2020.

(Collectively, the “*Audited Standalone Financial Statements*”) are available on our website at [www.nureca.com](http://www.nureca.com).

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Standalone Financial Statements do not constitute, (i) a part of this Red Herring Prospectus; or (ii) a 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 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 Standalone Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company, its Subsidiaries or any entity in which its shareholders have significant influence (collectively, the “**Group**”) and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor BRLM or 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 Standalone Financial Statements, or the opinions expressed therein.

*[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK]*

## CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at September 30, 2020, on the basis of our Restated Consolidated Financial Information, and as adjusted for the proposed Issue. This table should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Financial Statements” and “Risk Factors” beginning on pages 210, 155 and 25, respectively.

| <i>(in ₹ million, except ratios)</i>                     |                                 |        |                                   |
|----------------------------------------------------------|---------------------------------|--------|-----------------------------------|
| Particulars                                              | Pre-issue<br>September 30, 2020 | as at  | Adjusted for<br>the post- Issue # |
| <b>Borrowings</b>                                        |                                 |        |                                   |
| Current Borrowings                                       |                                 | 44.20  | [●]                               |
| Non-current borrowings (excluding lease liabilities) (A) |                                 | 35.97  | [●]                               |
| <b>Total Borrowings (B)</b>                              |                                 | 80.17  | [●]                               |
| <b>Equity</b>                                            |                                 |        |                                   |
| Equity Share Capital                                     |                                 | 70.00  | [●]                               |
| Other Equity                                             |                                 | 446.45 | [●]                               |
| <b>Total Equity (C)</b>                                  |                                 | 516.45 | [●]                               |
| Debt/Equity Ratio (B/C)                                  |                                 | 15.52  | [●]                               |
| Long-term borrowings^ / Total equity (A/C)               |                                 | 6.96   | [●]                               |

#To be updated upon finalisation of the Issue Price.

^Non-current borrowings excluding lease liabilities.

## **FINANCIAL INDEBTEDNESS**

As on September 30, 2020, our Company does not have any secured borrowings. Further, our Company has an outstanding unsecured loan amounting to ₹80.17 million (current borrowings of ₹44.20 million + non-current borrowings excluding lease liabilities of ₹ 35.97 million) as on September 30, 2020.

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

*You should read the following discussion of our financial condition and results of operations as of and for Fiscal 2020, 2019 and 2018 and for six months period ended September 30, 2020 in conjunction with our Restated Consolidated Financial Information. Our Restated Consolidated Financial Information have been prepared under Indian Accounting Standard (“Ind AS”), the Companies Act, the SEBI ICDR Regulations and “Guidance Note on Reports in Company Prospectus (Revised 2019)” issued by ICAI. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on our Restated Consolidated Financial Information included in this Red Herring Prospectus. For further information see. “Financial Statements” on page 155. Our financial year ends on March 31, therefore, all references to a particular Fiscal are to the 12-month period ended March 31 of that year.*

*We have historically prepared our financial statements in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Companies Act, 2013 (referred to as “Indian GAAP”). As required under applicable law, our Company transitioned from Indian GAAP to Ind AS commencing April 1, 2017. For purposes of this Red Herring Prospectus, we have prepared the Restated Consolidated Financial Information, in accordance with the recognition and measurement principles of Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 and other relevant provisions of the Act to the extent applicable. The Restated Consolidated Financial Information have been subject to audit by our Statutory Auditors. The Restated Consolidated Financial Information have been restated in accordance with the SEBI ICDR Regulations.*

*Our Restated Consolidated Financial Information differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries, and our assessment of the factors that may affect our prospects and performance in future periods.*

*Some of the information in the following discussion contain forward-looking statement that reflect our current views with respect to our plans, and strategies that involve various risks and uncertainties. You should read “Forward-Looking Statements” on page 17 for a discussion of certain factors that may affect our business, financial condition and results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Given these uncertainties, prospective investors are cautioned not to place under reliance on such forward-looking statements.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the report “Home Health Market in India and Neighbouring Countries” dated October 31, 2020 prepared and issued by Frost & Sullivan. For further information, see “Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation” on page 14.*

### OVERVIEW

We are a B2C company engaged in the business of home healthcare and wellness products, which offers quality, durability, functionality, usability and innovative designs. We enable our customers with tools to help them monitor chronic ailments and other diseases, to improve their lifestyle. We believe in innovation and catering new products to the ever-growing needs of the home health care sector. We are a digital first company wherein we sell our products through online channel partners such as e-commerce players, distributors and retailer. Further, we also sell our products through our own website drtrust.in.

We have most of the product lines supporting home health market in India, making it a one-stop solution provider. Dr Trust is a known for its innovative products in the market, and, with the segment showing significant potential for growth, our Company is positioned to show significant growth. (Source: Frost & Sullivan Report).

We have a diversified product portfolio, which primarily caters to home healthcare sector. We provide an improved product mix to our customers and their preferences thereby targeting a wider customer base. Our growth is further driven by our ability to make available an assortment of quality products under trusted brands built by our Company.

The Home Health Market in India and neighbouring countries is pegged at ₹20,757.0 crore in 2019 and is expected to grow to ₹38,920.7 crore by 2025 at a CAGR 11.0%. The growth is driven by rising awareness of Health and wellness, increasing spending power, growing burden of chronic diseases, and the need for Healthcare stakeholders to reduce healthcare costs (*Source: Frost & Sullivan Report*).

Currently, we classify our products portfolio under the following five categories such as

- (vi) **Chronic Device Products** – which includes products such as blood pressure monitors, pulse oximeters, thermometers, nebulizers, self monitoring glucose devices, humidifier and steamers.
- (vii) **Orthopedic Products** – which includes rehabilitation products such as wheelchairs, walkers, lumbar and tailbone supports and physiotherapy electric massagers.
- (viii) **Mother and Child Products** – which includes products such as breast pumps, bottle sterilizers, bottle warmers, car seats and baby carry cots.
- (ix) **Nutrition Supplements** – which includes products such as fishoil, multivitamins, probiotics, botin, apple cider and vinegar.
- (x) **Lifestyle Products** – which includes products such as smart scales, aroma diffusers and fitness tracker.

With an aim to offer a comprehensive range of products, we have expanded our product portfolio, which have resulted in enhanced growth and profitability. We believe that we differentiate ourselves from our competitors through innovation and design, use of advanced technologies and in-depth understanding of rapidly changing consumer preferences in India, which have enabled us to develop several new product categories that address unique customer needs. We believe that our product development capabilities have enabled us to establish ourselves as an innovative Indian home healthcare company.

We market and sell our products across India through our own website i.e. drtrust.in and third party e-commerce platforms, distributors and retailers. We manage our sales and marketing activities through our Corporate Office. We believe this distribution network ensures that our products are easily available in almost any part of India. We continue to engage in various marketing initiatives to build brand awareness and recall value for our products and to grow our market share. In addition to leveraging and engaging our distribution network for marketing initiatives, we also undertake direct promotional initiatives like advertising our products through digital marketing.

Our revenue from operations on a consolidated basis was ₹994.26 million, ₹618.97 million and ₹200.51 million for Fiscal 2020, 2019 and 2018, respectively and ₹1,221.45 million for the six months period ended September 30, 2020. Our revenue from operations has grown at a CAGR of 122.68% during Fiscal 2018 to 2020.

Our EBITDA on consolidated basis was ₹97.55 million, ₹91.42 million and ₹43.93 million for Fiscal 2020, 2019 and 2018, respectively and ₹500.06 million for the six months period ended September 30, 2020. Our restated profit after tax on a consolidated basis was ₹63.95 million, ₹62.26 million and ₹31.12 million for Fiscal 2020, 2019 and 2018, respectively and ₹361.80 million for the six months period ended September 30, 2020. Our net profit has grown at a CAGR of 43.35% during Fiscal 2018 to 2020.

## RECENT DEVELOPMENT

### *Impact of COVID-19*

In response to the COVID-19 outbreak, the governments of many countries, including India have taken preventive or protective actions, such as imposing country-wide lockdowns, restrictions on domestic and international travel and business operations and advising or requiring individuals to limit their time outside of their homes. The steps taken to counter the effects of the pandemic have resulted in a period of economic downturn and business disruption in India. The impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy remain unknown and no prediction can be made of when any of the restrictions currently in place will be relaxed or

expire, or whether or when further restrictions will be announced.

Because of a government mandated lockdown in India it has caused disruptions in the business in terms of shortage of manpower, delayed shipments, increased freight, rise in raw material costs, delay in sales realisations etc. Despite this, our business and operations have continued to run effectively due to the general awareness about the healthcare products in which our Company operates pursuant to COVID-19. Though our business has been affected during the initial days of lockdown, we have not faced any material impact on the business of our Company. For further information, see “*Business – Business Response to COVID-19*” on page 103.

However, the outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our vendors and service providers, which could adversely affect our business, financial condition and results of operations. Also see “*Risk Factors - Our business has been affected by the COVID-19 pandemic and may continue to affect our business, results of operations and financial condition.*” on page 25. The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. We are still assessing our business operations and system supports and the impact COVID-19 may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all of any impact from the spread of COVID-19 or its consequences, including downturns in business sentiment generally or in our sector in particular.

#### ***Investment in Wholly owned subsidiaries***

During the period after June 30, 2020, two companies namely, Nureca Technologies Private Limited and Nureca Healthcare Private Limited were incorporated as wholly owned subsidiaries of Nureca. For further details, please see “*History and Other Corporate Matters*” on page 120.

### **FACTORS AFFECTING THE RESULTS OF OPERATIONS AND FINANCIAL CONDITION**

#### ***Sales volume and demand of our products***

Our revenue and profit margins are directly impacted by our sales volume of our products and by demand of the same from our customers. Majority of our revenue from operations is from sales of our healthcare products. The fluctuation in demand for our products may either require us to increase our inventories and production or decrease our inventories and production at short notice, which may result in us bearing additional costs and incurring losses. We must continue to generate demand for our products from our customers to drive growth in the future, and our results of operations will depend in part on the degree to which these efforts are successful.

#### ***Our investments in new products and distribution channels may not be profitable and may be loss-making***

In order to maintain a competitive position, we continue to invest in new home healthcare products. Our investments in new products or distribution channels, such as e-commerce and delivery platforms, whether developed in-house or through third parties, may be less profitable than what we have experienced historically, may be loss-making, may consume substantial financial resources and/or may divert management’s attention from existing operations, all of which could materially and adversely affect our business, results of operations and financial condition.

#### ***Changes in Technology***

Modernization and technology upgradation is essential for the products that we sell to our customers. Being technology driven enables us to gain a deep understanding of the market trends in the home healthcare industry. The landscape of the home healthcare industry continues to change in response to technological innovation and evolving consumer trends. New technology are changing the very definition of healthcare device industry. However if we are unable to respond to changes in technology and evolving industry trends, our businesses may not be able to compete effectively.

#### ***Dependence on third parties for distribution of our products***



We are dependent on third parties in relation to our distribution and sales. All our products are distributed and sold through our own website, third party e-commerce platforms and other channels of retail, over which we have limited control. We constantly seek to grow our product reach to under-penetrated geographies, increase the penetration of our products in markets in which we are currently present and widen the portfolio of our products available in those markets by growing our distribution network. Our success is dependent on our ability to successfully tie up with a good e-commerce platform or appoint new distributors to expand our network and effectively manage our existing distribution network. Further, we may also face disruptions in the delivery of our products for reasons beyond our control, including poor handling of our products, transportation bottlenecks, natural disasters and labour issues, which could lead to delayed or lost deliveries.

## **SIGNIFICANT ACCOUNTING POLICIES**

### **1. Basis of Preparation**

The restated consolidated statement of assets and liabilities of the Group as at 30 September 2020, 31 March 2020, 31 March 2019 and 31 March, 2018, the restated consolidated information of profit and loss (including other comprehensive income), the restated consolidated information of changes in equity and the restated consolidated information of cash flows for each of the period/year ended 30 September 2020, 31 March 2020, 31 March 2019 and 31 March, 2018, and restated other consolidated financial information (together referred as 'Restated Consolidated Financial Information') has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, as amended from time to time, to the extent applicable

The Restated Consolidated Financial Information have been compiled by the Group from:

1. The audited special purpose interim consolidated financial statements of the Group as at and for the six months period ended 30 September 2020 prepared in accordance with recognition and measurement principles under Indian Accounting Standard ('Ind AS') 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 19 January 2021.
2. The audited consolidated financial statements as at and for the year ended 31 March 2020, which were prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") at the relevant time which was approved by the Board of Directors at their meeting held on 31 July 2020. The management of the Company has adjusted financial information for the year ended 31 March 2020 included in such Indian GAAP financial statements, using recognition and measurement principles of Ind AS, and has included such adjusted financial information as comparative financial information in the financial statements for the six months period ended 30 September 2020.
3. The audited standalone financial statements of the Company as at and for the years ended 31 March 2019 and 31 March 2018 prepared under previous generally accepted accounting principles followed in India ('Previous GAAP' or 'Indian GAAP'), which were approved by the Board of Directors at their meetings held on 26 July 2019 and 5 September 2018 respectively, after incorporating Ind AS adjustments to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on the transition date. Also, refer to note 2.2 and 36.
4. The Restated Consolidated Financial Information for the year ended 31 March 2019 and 31 March 2018 along with respective underlying schedules and notes are "Proforma Restated Consolidated Ind AS Financial Information", and in accordance with the requirements of SEBI/LAD-NRO/GN/2018/31 dated 11 September 2018 ("SEBI Circular") and the Guidance note on Reports in Company Prospectuses (revised 2019) ("Guidance Note"), issued by Institute of Chartered Accountants of India ('ICAI').

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Group has presented an explanation of how the transition to Ind AS has affected the previously reported financial position,

financial performance and cash flows (Refer Note 39 to Annexure VI).

The Restated Consolidated Financial Information has been prepared by the management for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with the proposed listing of equity shares of the Company by way of Initial Public Offering ('IPO'), to be filed by the Company with the Securities and Exchange Board of India, Registrar of Companies, Mumbai and the concerned Stock Exchanges in accordance with the requirements of:

- i. Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
- ii. 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
- iii. Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ('ICAI').

The Restated Consolidated Financial Information has been compiled by the Company from the Audited Financial Statements of the Company and management certified standalone financial information of the subsidiary company and:

- a. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policies for all the reporting periods;
- b. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;
- c. Other remarks / comments in the Annexure to the Auditor's report on the financial statements of the Company which do not require any corrective adjustments in the Restated Consolidated Financial Information are disclosed in Annexure VII of the Restated Consolidated Financial Information;
- d. adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per consolidated financial statements of the Group as at and for the period ended 30 September 2020 prepared under Ind AS and the requirements of the SEBI Regulations, and
- e. the resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective years to which they relate.

#### *Functional and presentation currency*

Items included in the Restated Consolidated Financial Information of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Restated Consolidated Financial Information are presented in Indian rupee (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than INR 10,000 have been rounded and are presented as INR 0.00 million in the Restated Consolidated Financial Information.

#### *Basis of measurement*

The restated Consolidated financial information has been prepared on the historical cost basis except for the following items:

| Items                                                                                                                                     | Measurement basis |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| Certain financial assets (except trade receivables and contract assets which are measured at transaction cost) and liabilities (including | Fair value        |

| Items                       | Measurement basis                             |
|-----------------------------|-----------------------------------------------|
| derivative)                 |                                               |
| Defined benefits obligation | Present value of defined benefits obligations |

## 2. Basis of consolidation

The financial information of the Company and its subsidiaries is combined on a line-by-line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intragroup balances and intra-group transactions.

Profits or losses resulting from intra-group transactions are eliminated in full.

### Foreign operations

Revenue items are consolidated at the average rate prevailing during the period / year. All assets and liabilities are converted at rates prevailing at the end of the period / year. Any exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve (FCTR).”

The Restated Consolidated Financial Information have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The carrying amount of the Company’s investment in subsidiaries is offset (eliminated) against the Company’s portion of equity in subsidiaries.

The detail of consolidated entity as follows:

| Sr. No. | Name of subsidiary                    | Country of incorporation | Percentage of ownership# |                     |                     |                      |
|---------|---------------------------------------|--------------------------|--------------------------|---------------------|---------------------|----------------------|
|         |                                       |                          | As at 30 September 2020  | As at 31 March 2020 | As at 31 March 2019 | As at March 31, 2018 |
| 1.      | Nureca, INC.                          | USA                      | 100%                     | 100%                | 100%                | 100%                 |
| 2.      | Nureca Healthcare Private Limited*    | India                    | 100%                     | NA                  | NA                  | NA                   |
| 3.      | Nureca Technologies Private Limited\$ | India                    | 100%                     | NA                  | NA                  | NA                   |

# Transfer from Nectar Biopharma Private Limited pursuant to the scheme of arrangement which was approved by NCLT on 29 April 2020 (also refer note 36)

\*Incorporated on 11 August 2020

\$Incorporated on 13 July 2020

## 3. Summary of significant accounting policies

A summary of the significant accounting policies applied in the preparation of the Restated Consolidated Financial Information are as given below. These accounting policies have been applied consistently to all periods/years presented in the Restated Consolidated Financial Information.

### 3.1. Current vs non-current classification

The Group presents assets and liabilities in the restated consolidated statement of assets and liabilities based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

The Group classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

### **3.2. Business combination**

Ind AS 103, Business Combinations, prescribes significantly different accounting for business combinations which are not under common control and those under common control.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

The pooling of interest method is considered to involve the following:

- a. The assets and liabilities of the combining entities are reflected at their carrying amounts.
- b. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- c. The financial information in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the Restated Consolidated Financial Information, irrespective of the actual date of the business combination.
- d. The identity of the reserves has been preserved and appear in the financial information of the transferee in the same form in which they appeared in the financial information of the transferor.
- e. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

### **3.3. Property, plant and equipment**

#### **Recognition and Initial Measurement**

Property, plant and equipment is recognized when it is probable that future economic benefits associated with the item will flow to the Group and the cost of each item can be measured reliably. Property, plant and equipment are initially stated at their cost.

Cost of asset includes:

- a. Purchase price, net of any trade discount and rebates
- b. Cost directly attributable to the acquisition of the assets which incurred in bringing asset to its working condition for the intended use
- c. Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

#### Subsequent measurement

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure is capitalized if it is probable that future economic benefits associated with the expenditure will flow to the Group and cost of the expenditure can be measured reliably.

#### Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all the items of property, plant and equipment recognized as at 1 April 2019, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment. The Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. 1 April 2019 while preparing Proforma Restated Consolidated Ind AS Financial Information for the years ended 31 March 2019 and 31 March 2018. Also, refer note 39 of Annexure VI.

#### Depreciation and useful lives

Depreciation on property, plant and equipment is provided on straight line basis over the estimated useful lives of the assets as specified in schedule II of the Companies Act, 2013.

| Particulars            | Management estimated useful life | Useful life as per Schedule II |
|------------------------|----------------------------------|--------------------------------|
| Computers              | 3 years                          | 3 years                        |
| Office Equipment       | 5 years                          | 5 years                        |
| Furniture and Fixtures | 10 year                          | 10 years                       |

Depreciation on additions to/deductions from property, plant and equipment during the period is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed

Each part of an item of property, plant and equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted prospectively, if appropriate.

#### Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the restated consolidated statement of profit and loss when the asset is derecognized.

### **3.4. Impairment of non-financial assets**

At each reporting date, the Group assesses, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU)

fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the impairment loss, including impairment on inventories are recognized in the restated consolidated statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU'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 period. Such reversal is recognized in the restated consolidated statement of profit and loss.

### **3.5. Inventories**

- a. Inventories (which comprise traded goods) are valued at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis.
- b. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

### **3.6. Revenue recognition**

The specific recognition criteria described below must also be met before revenue is recognized.

#### **a. Sale of products**

Revenue from sale of products is recognized at the point in time when control of the goods is transferred to the customer at the time of shipment to or receipt of goods by the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The goods and service tax (GST) is not received by the Group on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

#### **b. Contract balances**

- **Contract assets:** A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that

is conditional.

- **Trade receivables:** A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).
- **Contract liabilities:** A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

### c. Right of return

Group provides a customer with a right to return in case of any defects or on grounds of quality. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognizes a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognized for the right to recover products from a customer.

The Group has adopted Ind AS 115 from 1 April 2019 using the modified retrospective approach by applying Ind AS 115 to all the contracts that are not completed on 1 April 2019. The application of Ind AS 115 did not have any material impact on recognition and measurement principles. However, it results in additional presentation and disclosure requirements for the Group. The Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. 1 April 2019 while preparing Proforma Restated Consolidated Ind AS Financial Information for the years ended 31 March 2019 and 31 March 2018.

The Group has also applied the practical expedient under Ind AS 115 for incremental cost of obtaining a contract and has recognized such cost as an expense when incurred if the amortization period of the asset is one year or less.

## 3.7. Taxes

### a. Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with relevant tax regulations. Current tax is determined as the tax payable in respect of taxable income for the period/year and is computed in accordance with relevant tax regulations. Current tax is recognized in restated consolidated statement of profit and loss except to the extent it relates to items recognized outside profit or loss in which case it is recognized outside profit or loss (either in other comprehensive income ('OCI') or in equity). Current tax items are recognized in relation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes current tax payable where appropriate.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### b. Deferred Tax

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when

the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognized in restated consolidated statement of profit and loss except to the extent it relates to items recognized outside profit or loss, in which case is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

### **3.8. Foreign currencies**

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the reporting date are converted to functional currency using the closing rate (Closing selling rates for liabilities and closing buying rate for assets). Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on settlement of monetary items, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the restated consolidated statement of profit and loss in the period in which they arise. These exchange differences are presented in the restated consolidated statement of profit and loss on net basis.

### **3.9. Employee benefit**

#### **a. Short-term employee benefits**

Employee benefits such as salaries, short term compensated absences, and other benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and undiscounted amount of such benefits are expensed in the restated consolidated statement of profit and loss in the period in which the employee renders the related services.

#### **b. Post-employment benefits**

- **Defined Contribution Plan:** A defined contribution plan is a plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Group makes specified monthly contribution to the Regional Provident Fund Commissioner towards provident fund and employee state insurance scheme ('ESI') which is a defined contribution plan. The Group's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

- **Defined Benefit Plan:** A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under such plans, the obligation for any benefits remains with the Group. The Group's liability towards gratuity is in the nature of defined benefit plan.

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in



employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

The liability in respect of gratuity is accrued in the books of accounts on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method.

The Group's net obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at each reporting date.

Re-measurement, comprising actuarial gains and losses, is recognized in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to restated consolidated statement of profit and loss.

Defined benefit costs comprising current service cost, past service cost, interest cost and gains or losses on settlements are recognized in the restated consolidated statement of profit and loss as employee benefits expense. Gains or losses on settlement of any defined benefit plan are recognized when the settlement occurs. Past service cost is recognized as expense at the earlier of the plan amendment or curtailment and when the Group recognizes related restructuring costs or termination benefits.

#### **c. Other long-term employee benefits**

Benefits under the Group's compensated absences constitute other long-term employee benefits, recognized as an expense in the restated consolidated statement of profit and loss for the period in which the employee has rendered services. The obligation recognized in respect of these long-term benefits is measured at present value of the obligation based on actuarial valuation using the Projected Unit credit method.

Long term employee benefit costs comprising current service cost, interest cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognized in the restated consolidated statement of profit and loss as employee benefit expenses.

Certain employees were transferred from Nectar Biopharma Private Limited pursuant to the scheme of arrangement, approved by NCLT on 29 April 2020 (also refer note 36). The process of completing the formalities pertaining to transfer of such employees has been fully completed on 01 September 2020.

### **3.10. Cash and cash equivalents**

Cash and cash equivalent include cash on hand, cash at banks and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purpose of the restated consolidated statement of cash flows, cash and cash equivalents consist of unrestricted cash and short-term deposits, as defined above as they are considered an integral part of the Group's cash management.

### **3.11. Provisions, contingent assets and contingent liabilities**

#### **a. Provisions**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risk and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

#### **b. Contingent liabilities**

Contingent liabilities are disclosed when there is a possible obligation or present obligations that may but probably will not, require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

These are reviewed at each financial reporting date and adjusted to reflect the current best estimates.

#### **c. Contingent assets**

Contingent assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

### **3.12. Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

#### **a. Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### **i) Right-of-use assets**

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the restated consolidated statement of profit and loss.

##### **ii) Lease liabilities**

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in financial liabilities

### **iii) Short term lease and leases of low value assets**

The Group applies the short-term lease recognition exemption to its short-term leases contracts including lease of residential premises and offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

### **iv) Single discount rate**

The Group has applied the available practical expedient with respect to single discount rate wherein single discount rate is used for portfolio of leases with reasonably similar characteristics.

The Group has given adjustments for lease accounting in accordance with Ind AS 116 from 1 April 2019, and all the related figures have been reclassified/ regrouped to give effect to the requirements of Ind AS 116. The application of Ind AS 116 has resulted into recognition of 'Right-of-Use' asset with a corresponding Lease Liability in the restated consolidated statement of assets and liabilities.

The Group has adopted Ind AS 116 by applying exemption provided under Ind AS 101. Following approach is followed on transition date when applying Ind AS 116 initially:

- a. lease liability is recognized, for leases which were previously classified as operating leases, by measuring the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.
- b. a right of use assets is recognized at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the restated consolidated statement of assets and liabilities immediately before the date of initial application

## **3.13. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

### **a. Financial assets**

#### **Initial recognition and measurement**

A financial asset (except trade receivable and contract asset) is recognized initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognized immediately in Restated Consolidated Statement of Profit and Loss.

### Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period/year the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (designated as FVOCI – equity investment). The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income ('OCI'). There is no recycling of the amounts from OCI to Restated Consolidated Statement of Profit and Loss, even on sale of investment.

However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Restated Consolidated Statement of Profit and Loss.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

For purposes of subsequent measurement, financial assets are classified in following categories:

#### Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in Restated Consolidated Statement of Profit and Loss.

#### Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in Restated Consolidated Statement of Profit and Loss.

#### Equity investments at FVOCI

These assets are subsequently measured at fair value. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

### Impairment of financial assets

Expected credit loss (ECL) is the difference between all contractual cash flows that are due to the Group in

accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are measured at amortized cost e.g., deposits, trade receivables and bank balance.
- b. Financial assets that are measured as at FVTOCI
- c. Lease receivables under Ind AS 116
- d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the restated consolidated statement of profit and loss. ECL for financial assets measured as at amortized cost and contractual revenue receivables is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Restated Consolidated Statement of Assets and Liabilities. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount

The Group does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

#### *Derecognition of financial assets*

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognized on its restated consolidated statement of assets and liabilities but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized

#### **b. Financial liabilities**

##### *Initial recognition and measurement*

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### (i) Financial liabilities at fair value through profit or loss

The Group has not designated any financial liabilities at FVTPL.

#### (ii) Financial liabilities at amortized cost

After initial recognition, Loans, borrowings, trade payables and other financial liabilities are subsequently measured at amortized cost using the EIR method. Interest expense is recognized in the restated consolidated statement of profit and loss. Any gain or loss on derecognition is also recognized in the restated consolidated statement of profit and loss.

### Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the restated consolidated statement of profit and loss.

#### **c. Reclassification of financial assets**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

#### **d. Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the restated consolidated statement of assets and liabilities if there is a currently enforceable contractual legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### **3.14. Fair value measurement**

The Group measures financial instruments at fair value at each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant

that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated Financial Information are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognized in the Restated Consolidated Financial Information on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Above is the summary of accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

### **3.15. Earnings per share**

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the period/year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period/year. The weighted average number of equity shares outstanding during the period/year is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period/year attributable to equity shareholders and the weighted average number of shares outstanding during the period/year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period/year, unless issued at a later date. Dilutive potential equity shares are determined independently for each period/year presented. The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods/years presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial information by the Board of Directors.

### **3.16. Segment reporting**

The business of the Group falls within a single line of business i.e. business of home healthcare and wellness products. All other activities of the Group revolve around its main business. Hence no separate reportable primary segment.

### **3.17. Restated consolidated statement of cash flows**

Restated consolidated statements of cash flows is made using the indirect method, whereby profit before tax is

adjusted for the effects of transactions of non-cash nature, any deferral accruals of past or future cash receipts or payments and item of income or expense associated with investing or financing of cash flows. The cash flows from operating, financing and investing activities of the Company are segregated.

### **3.18. Significant accounting estimates and judgments**

The estimates used in the preparation of the Restated Consolidated Financial Information of each period/year presented are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Group believes to be reasonable under the existing circumstances. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the Group regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the Restated Consolidated Financial Information in the period in which they become known.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Actual results could differ from these estimates.

Significant judgements

- ***Allowances for uncollected trade receivables***

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amount are based on ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems not be collectible.

- ***Contingencies***

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. There are certain obligations which management have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in notes. Although, there can be no assurance of the final outcome of legal proceedings in which the Group is involved, it is not expected that such contingencies will have material effect on its financial position of probability.

- ***Impairment of other financial assets***

The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- ***Taxes***

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes current tax payable, based on reasonable estimates. The amount of such current tax payable is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.



- ***Recoverability of deferred taxes***

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- ***Impairment of non financial assets***

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ('DCF') model.

Significant estimates

- ***Defined benefit plans***

The costs of post-retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- ***Useful lives of property, plant and equipment***

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. At the end of the current reporting period, the management determined that the useful lives of property, plant and equipment at which they are currently being depreciated represent the correct estimate of the lives and need no change.

- ***Leases - Estimating the incremental borrowing rate***

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

- ***Determining the lease term of contracts with renewal and termination options – Group as lessee***

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event

or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

- ***Fair value measurement of financial instruments***

When the fair values of financial assets and financial liabilities recorded in the restated consolidated statement of assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

## **PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE**

### ***Income***

Our total income consists of revenue from operations and other income

#### ***Revenue from operations***

Revenue from operations includes revenue from sale of our chronic device products, orthopedic products, mother and child products, nutrition supplements, lifestyle products and others.

#### ***Other income***

Other income primarily includes interest income such as interest income for financial assets measured at amortized cost at EIR, exchange gain on foreign exchange fluctuation, income on unwinding of security deposit and miscellaneous income.

### ***Expenses***

Our expenses consist primarily of purchase of stock-in-trade, changes in stock-in-trade, employee benefit expenses, finance cost, depreciation expenses and other expenses.

#### ***Changes in stock-in-trade***

Expenses accounted pursuant to increase/ decrease in inventories of our stock-in-trade and right to recover returned goods.

#### ***Employee benefits expense***

Our employee benefit expenses include salaries and wages, contribution to provident and other funds and staff welfare expenses

#### ***Finance Costs***

Our finance cost includes interest expenses on financial liabilities measured at amortised cost on borrowings and lease liabilities and other borrowing costs.

#### ***Depreciation Expenses***

Our depreciation expenses include depreciation on property, plant and equipment and depreciation on right-of-use assets.

## Other Expenses

Our other expenses includes expenses relation to advertisement, insurance, communication expenses, legal and professional fee, rent, travel and conveyance, shifting and handling expenses, security services, expected credit loss on trade receivables, exchange gain on foreign exchange fluctuation, sales commission and incentive, packing expenses, repairs and maintenance, rates and taxes, power and fuel, freight charges, CSR expenditure, share of expense and miscellaneous expenses.

## RESULT OF OPERATIONS

The following table sets forth certain information with respect to our consolidated results of operations for the periods indicated:

| Particulars                                                                       | For the period April 1, 2020 to September 30, 2020 |                                | Fiscal 2020   |                                | Fiscal 2019   |                                | Fiscal 2018   |                                |
|-----------------------------------------------------------------------------------|----------------------------------------------------|--------------------------------|---------------|--------------------------------|---------------|--------------------------------|---------------|--------------------------------|
|                                                                                   | (₹ million)                                        | Percentage of total income (%) | (₹ million)   | Percentage of total income (%) | (₹ million)   | Percentage of total income (%) | (₹ million)   | Percentage of total income (%) |
| <b>Revenue</b>                                                                    |                                                    |                                |               |                                |               |                                |               |                                |
| Revenue from operations                                                           | 1,221.45                                           | 99.33                          | 994.26        | 99.94                          | 618.97        | 99.86                          | 200.51        | 99.91                          |
| Other Income                                                                      | 8.28                                               | 0.67                           | 0.61          | 0.06                           | 0.86          | 0.14                           | 0.18          | 0.09                           |
| <b>Total Income</b>                                                               | <b>1,229.73</b>                                    | <b>100.00</b>                  | <b>994.87</b> | <b>100.00</b>                  | <b>619.83</b> | <b>100.00</b>                  | <b>200.69</b> | <b>100.00</b>                  |
| <b>Expenses</b>                                                                   |                                                    |                                |               |                                |               |                                |               |                                |
| Purchase of stock-in-trade                                                        | 632.76                                             | 51.46                          | 674.85        | 67.83                          | 501.63        | 80.93                          | 142.77        | 71.14                          |
| Changes in inventories of stock-in-trade                                          | (153.86)                                           | (12.51)                        | (28.82)       | (2.90)                         | (100.10)      | (16.15)                        | (31.67)       | (15.78)                        |
| Employee benefits expenses                                                        | 10.92                                              | 0.89                           | 31.57         | 3.17                           | 8.87          | 1.43                           | 3.61          | 1.80                           |
| Finance costs                                                                     | 11.83                                              | 0.96                           | 7.73          | 0.78                           | 2.44          | 0.39                           | 0.64          | 0.32                           |
| Depreciation expenses                                                             | 1.78                                               | 0.14                           | 3.74          | 0.38                           | 0.57          | 0.09                           | 0.06          | 0.03                           |
| Other expenses                                                                    | 239.85                                             | 19.50                          | 219.72        | 22.09                          | 118.02        | 19.04                          | 42.05         | 20.95                          |
| <b>Total Expenses</b>                                                             | <b>743.28</b>                                      | <b>60.44</b>                   | <b>908.79</b> | <b>91.35</b>                   | <b>531.42</b> | <b>85.74</b>                   | <b>157.46</b> | <b>78.46</b>                   |
| <b>Profit before tax</b>                                                          | <b>486.45</b>                                      | <b>39.56</b>                   | <b>86.08</b>  | <b>8.65</b>                    | <b>88.41</b>  | <b>14.26</b>                   | <b>43.23</b>  | <b>21.54</b>                   |
| <b>Tax Expenses</b>                                                               |                                                    |                                |               |                                |               |                                |               |                                |
| Current tax                                                                       | 137.89                                             | 11.21                          | 22.47         | 2.26                           | 26.21         | 4.23                           | 12.12         | 6.04                           |
| Deferred tax                                                                      | (13.24)                                            | (1.08)                         | (0.34)        | (0.03)                         | (0.06)        | (0.01)                         | (0.01)        | 0.00                           |
| <b>Total tax expenses</b>                                                         | <b>124.65</b>                                      | <b>10.14</b>                   | <b>22.13</b>  | <b>2.22</b>                    | <b>26.15</b>  | <b>4.22</b>                    | <b>12.11</b>  | <b>6.03</b>                    |
| <b>Profit for the period/ year</b>                                                | <b>361.80</b>                                      | <b>29.42</b>                   | <b>63.95</b>  | <b>6.43</b>                    | <b>62.26</b>  | <b>10.04</b>                   | <b>31.12</b>  | <b>15.51</b>                   |
| <b>Other comprehensive income/ (loss)</b>                                         |                                                    |                                |               |                                |               |                                |               |                                |
| <b>Items that will not be reclassified to profit or loss</b>                      |                                                    |                                |               |                                |               |                                |               |                                |
| Remeasurement of defined benefit plans                                            | 0.01                                               | 0.00                           | (0.06)        | (0.01)                         | (0.00)        | 0.00                           | 0.00          | 0.00                           |
| Income tax relating to remeasurement of defined benefit plans                     | (0.00)                                             | 0.00                           | 0.01          | 0.00                           | 0.00          | 0.00                           | (0.00)        | 0.00                           |
| Net change in fair value of equity instruments through other comprehensive income | -                                                  | -                              | -             | -                              | -             | -                              | -             | -                              |
| Income tax related                                                                | -                                                  | -                              | -             | -                              | -             | -                              | -             | -                              |

| Particulars                                                                                              | For the period April 1, 2020 to September 30, 2020 |                                | Fiscal 2020   |                                | Fiscal 2019   |                                | Fiscal 2018   |                                |
|----------------------------------------------------------------------------------------------------------|----------------------------------------------------|--------------------------------|---------------|--------------------------------|---------------|--------------------------------|---------------|--------------------------------|
|                                                                                                          | (₹ million)                                        | Percentage of total income (%) | (₹ million)   | Percentage of total income (%) | (₹ million)   | Percentage of total income (%) | (₹ million)   | Percentage of total income (%) |
| equity instruments through OCI                                                                           |                                                    |                                |               |                                |               |                                |               |                                |
| <b>Items that will be reclassified to profit or loss</b>                                                 |                                                    |                                |               |                                |               |                                |               |                                |
| Exchange differences on translating the financial statements of a foreign operation                      | 0.00                                               | 0.00                           | 0.01          | 0.00                           | (0.01)        | 0.00                           | (0.00)        | 0.00                           |
| Income tax relating to translating the financial statements of a foreign operation                       | -                                                  | -                              | -             | -                              | -             | -                              | -             | -                              |
| Net change in fair value of equity instruments through other comprehensive income (FVOCI)                | -                                                  | -                              | (0.00)        | (0.00)                         | -             | -                              | -             | -                              |
| Income tax relating to net change in fair value of equity instruments through other comprehensive income | -                                                  | -                              | -             | -                              | -             | -                              | -             | -                              |
| <b>Total other comprehensive (loss) for the period/ year (net of tax)</b>                                | <b>0.01</b>                                        | <b>0.00</b>                    | <b>(0.04)</b> | <b>0.00</b>                    | <b>(0.01)</b> | <b>0.00</b>                    | <b>(0.00)</b> | <b>0.00</b>                    |
| <b>Total comprehensive income for the period/ year</b>                                                   | <b>361.81</b>                                      | <b>29.42</b>                   | <b>63.91</b>  | <b>6.42</b>                    | <b>62.24</b>  | <b>10.04</b>                   | <b>31.12</b>  | <b>15.51</b>                   |

## Six months period ended September 30, 2020

### Revenue

Our total income was ₹1,229.73 million in the six months period ended September 30, 2020, while our total income was ₹994.87 million in Fiscal 2020.

As percentage of total income, revenue from operations was 99.33% and 99.94% in six months period ended September 30, 2020 and Fiscal 2020, respectively.

### Revenue from operations

Revenue from operations was ₹1,221.45 million in the six months period ended September 30, 2020, while our revenue from operations was ₹994.26 million in Fiscal 2020. Our revenue from operations in the six months period ended September 30, 2020, included sale of healthcare products.

### Other Income

Other income was ₹8.28 million in the six months period ended September 30, 2020, while our other income was ₹0.61 million in Fiscal 2020. Our other income in the six months period ended September 30, 2020, primarily consisted of interest income on bank deposits of ₹2.97 million and exchange gain on foreign exchange fluctuation (net) of ₹5.22

million.

As a percentage of total income, other income was 0.67% and 0.06% in six months period ended September 30, 2020 and Fiscal 2020, respectively.

## **Expenses**

Total expenses was ₹743.28 million in six months period ended September 30, 2020, while total expenses was ₹908.79 million in Fiscal 2020. As a percentage of total income, total expenses were 60.44% and 91.35% in the six months period ended September 30, 2020 and Fiscal 2020, respectively.

### *Purchase of stock-in-trade*

Expenses relating to purchase of stock-in-trade were ₹632.76 million in the six months period ended September 30, 2020. In Fiscal 2020, expenses relating to purchase of stock-in-trade were ₹674.85 million. As a percentage of total income, expenses relating to purchases of stock-in-trade were 51.46% and 67.83% in the six months period ended September 30, 2020 and Fiscal 2020, respectively.

### *Changes in inventories of stock-in-trade*

Expenses relating to changes in inventories of stock-in-trade were ₹(153.86) million in the six months period ended September 30, 2020. In Fiscal 2020, expenses relating to changes in inventories of stock-in-trade were ₹(28.82) million. As a percentage of total income, expenses relating to changes in inventories of stock-in-trade were (12.51)% and (2.90)% in the six months period ended September 30, 2020 and Fiscal 2020, respectively.

### *Employee benefits expense*

Employee benefit expenses were ₹10.92 million in the six months period ended September 30, 2020. In Fiscal 2020, employee benefit expenses were ₹31.57 million. As a percentage of total income, employee benefit expenses were 0.89% and 3.17% in the six months period ended September 30, 2020 and Fiscal 2020, respectively.

Salaries and wages were ₹10.67 million in the six months period ended September 30, 2020, contribution to provident fund and other funds was ₹0.21 million in the six months period ended September 30, 2020. Further, staff welfare expenses was ₹0.04 million in the six months period ended September 30, 2020.

### *Finance Cost*

Finance costs were ₹11.83 million in the six months period ended September 30, 2020. In Fiscal 2020, finance costs were ₹7.73 million. Interest expense on borrowings was ₹3.73 million and interest on lease liability was ₹0.42 million in the six months period ended September 30, 2020. Further, other borrowing cost were ₹0.72 million and interest expense on income tax were ₹6.96 million in the six months period ended September 30, 2020. As a percentage of total income, finance costs were 0.96% and 0.78% in the six months period ended September 30, 2020 and Fiscal 2020, respectively.

### *Depreciation Expenses*

Depreciation expenses were ₹1.78 million in the six months period ended September 30, 2020. In Fiscal 2020, depreciation were ₹3.74 million. Depreciation on property, plant and equipment was ₹0.56 million and depreciation on right-of-use assets was ₹1.22 million in the six months period ended September 30, 2020. As a percentage of total income, depreciation expenses were 0.14% and 0.38% in the six months period ended September 30, 2020 and Fiscal 2020, respectively.

### *Other Expenses*

Other expenses was ₹239.85 million in the six months period ended September 30, 2020, while other expenses was ₹219.72 million in Fiscal 2020. As a percentage of total income, other expenses were 19.50% and 22.09% in the six

months period ended September 30, 2020 and Fiscal 2020, respectively.

Other expenses in the six months period ended September 30, 2020 primarily consisted of advertisement expenses of ₹20.13 million, legal and professional charges of ₹7.48 million, commission and incentive of ₹62.35 million, freight charges of ₹9.63 million, business support service of ₹115.28 million and loss on derecognition of financial assets of ₹7.16 million.

### **Profit before Tax**

For the reasons discussed above, profit before tax was ₹486.45 million in the six months period ended September 30, 2020. In Fiscal 2020, profit before tax was ₹86.08 million.

### **Tax Expense**

Our tax expenses in the six months period ended September 30, 2020 were ₹124.65 million, including ₹137.89 million of current tax. In addition, there was a deferred tax charge of ₹(13.24) million in the six months period ended September 30, 2020. Our tax expenses in Fiscal 2020 were ₹22.13 million, including ₹22.47 million of current tax. In addition, there was a deferred tax credit of ₹(0.34) million in Fiscal 2020.

### **Profit for the Period/ Year**

Profit for the period was ₹361.80 million in the six months period ended September 30, 2020. In Fiscal 2020, profit for the year was ₹63.95 million.

### **Other Comprehensive income/ (loss)**

Total other comprehensive income/ (loss) was ₹0.01 million in the six months period ended September 30, 2020. In Fiscal 2020, it was ₹(0.04) million.

### **Fiscal 2020 compared to Fiscal 2019**

#### **Revenue**

Total income increased by 60.51% from ₹619.83 million in Fiscal 2019 to ₹994.87 million during the Fiscal 2020. The increase in total income reflect growth in our existing business due to increase in distribution network and better marketing.

#### *Revenue from Operations*

Revenue from operations increased by 60.63% from ₹618.97 million in Fiscal 2019 to ₹994.26 million in Fiscal 2020, primarily due to increase in distribution and better marketing.

#### *Other Income*

Other income decreased by (29.07)% from ₹0.86 million in Fiscal 2019 to ₹0.61 million in Fiscal 2020, primarily due to decrease in exchange gain on foreign exchange fluctuation and miscellaneous income.

As a percentage of total income, other income was 0.06% in Fiscal 2020 as compared to 0.14% in Fiscal 2019.

#### **Expenses**

Total expenses increased by 71.01% from ₹531.42 million in Fiscal 2019 to ₹908.79 million in Fiscal 2020. As a percentage of total income, total expenses were 91.35% in Fiscal 2020 and 85.74% in Fiscal 2019.

#### *Purchase of stock-in-trade*

Expenses relating to purchase of stock-in-trade increased by 34.53% from ₹501.63 million in Fiscal 2019 to ₹674.85 million in Fiscal 2020, this increase was primarily on account of growth of our business. As a percentage of total income, expenses relating to purchases of stock-in-trade were 67.83% in Fiscal 2020 as compared to 80.93% in Fiscal 2019.

#### *Changes in inventories of stock-in-trade*

Expenses relating to changes in inventories of decreased by (71.21)% from ₹(100.10) million in Fiscal 2019 to ₹(28.82) million in Fiscal 2020, this decrease was primarily on account of better inventory management and in anticipation of increased demand of our products. As a percentage of total income, expenses relating to changes in inventories of stock-in-trade were (2.90)% in Fiscal 2020 as compared to (16.15)% in Fiscal 2019.

#### *Employee benefits expense*

Employee benefits expenses increased by 255.92% from ₹8.87 million in Fiscal 2019 to ₹31.57 million in Fiscal 2020. As a percentage of total income, employee benefits expenses were 3.17% in Fiscal 2020 as compared to 1.43% in Fiscal 2019.

The relative increase in employee benefit expenses was primarily attributable to increase in salaries and wages of our employees and corresponding increase in contribution to provident and other funds and staff welfare expenses. Number of employees increased from 28 in Fiscal 2018 to 47 in Fiscal 2020. Salaries and wages was increased by 262.69% from ₹8.47 million in Fiscal 2019 to ₹30.72 million in Fiscal 2020, while contribution to provident fund and other funds increased by 100.00% from ₹0.36 million in Fiscal 2019 to ₹ 0.72 million in Fiscal 2020. Staff welfare expenses increased by 225.00% from ₹0.04 million in Fiscal 2019 to ₹0.13 million in Fiscal 2020.

#### *Finance Costs*

Finance costs increased by 216.80% from ₹2.44 million in Fiscal 2019 to ₹7.73 million in Fiscal 2020, primarily due to increase in interest expense on financial liability measured at amortised cost from ₹1.12 million in Fiscal 2019 to ₹4.23 million in Fiscal 2020. Further, there was an increase in other borrowing cost from ₹1.31 million in Fiscal 2019 to ₹3.50 million in Fiscal 2020. As a percentage of total income, finance costs were 0.78% in Fiscal 2020 as compared to 0.39% in Fiscal 2019.

#### *Depreciation Expenses*

Depreciation expenses increased by 556.14% from ₹0.57 million in Fiscal 2019 to ₹3.74 million in Fiscal 2020 primarily due to increase in depreciation on property, plant and equipment from ₹0.19 million in Fiscal 2019 to ₹0.77 million in Fiscal 2020 and increase in depreciation on right-of-use assets from ₹0.38 million in Fiscal 2019 to ₹2.97 million in Fiscal 2020. As a percentage of total income, depreciation expenses were 0.38% in Fiscal 2020 as compared to 0.09% in Fiscal 2019.

#### *Other Expenses*

Other expenses increased by 86.17% from ₹118.02 million in Fiscal 2019 to ₹219.72 million in Fiscal 2020 on account of increase in advertisement expenses, legal and professional fees, shifting and handling expenses, sales, commission and incentive, packing expenses and freight charges. As a percentage of total income, other expenses were 22.09% in Fiscal 2020 as compared to 19.04% in Fiscal 2019.

Advertisement increased by 35.42% from ₹23.12 million in Fiscal 2019 to ₹31.31 million in Fiscal 2020 on account of reaching out to more customers and to increase the marketing network of our Company. The increase commensurate with the growth in the business of our Company.

Our legal and professional fees increased by 755.67% from ₹0.97 million in Fiscal 2019 to ₹8.30 million in Fiscal 2020 due to better management to secure and defend the intellectual properties of our Company.

Shifting and handling expenses increased by 274.80% from ₹2.50 million in Fiscal 2019 to ₹9.37 million in Fiscal

2020, due to increase in turnover of our Company. The increase commensurate with the growth in the business of our Company.

Commission and incentive increased by 41.75% from ₹61.94 million in Fiscal 2019 to ₹87.80 million in Fiscal 2020 due to increase in turnover of our Company. The increase commensurate with the growth in the business of our Company.

Our packing expenses increased from no expenses in Fiscal 2019 to ₹15.06 million in Fiscal 2020, primarily on account of increase in turnover of our Company. The increase commensurate with the growth in the business of our Company.

Our freight expenses increased by 172.30% from ₹18.70 million in Fiscal 2019 to ₹50.92 million in Fiscal 2020 due to increase in turnover of our Company. The increase commensurate with the growth in the business of our Company.

### **Profit before tax**

For the reasons discussed above, profit before tax decreased from ₹88.41 million in Fiscal 2019 to ₹86.08 million in Fiscal 2020.

### **Tax Expense**

Our tax expenses in Fiscal 2020 were ₹22.13 million, including ₹22.47 million of current tax. In addition, there was a deferred tax of ₹(0.34) million in Fiscal 2020. Our tax expenses in Fiscal 2019 were ₹26.15 million, including ₹26.21 million of current tax. In addition, there was a deferred tax of ₹(0.06) million in Fiscal 2019.

### **Profit for the Period/ Year**

Profit for the year was ₹63.95 million in Fiscal 2020 compared to ₹62.26 million in Fiscal 2019.

### **Fiscal 2019 compared to Fiscal 2018**

#### **Revenue**

Total income increased by 208.85% from ₹200.69 million in Fiscal 2018 to ₹619.83 million during the Fiscal 2019. The increase in total income reflect growth in our existing business due to increase in distribution network and better marketing.

#### *Revenue from Operations*

Revenue from operations increased by 208.70% from ₹200.51 million in Fiscal 2018 to ₹618.97 million in Fiscal 2019, primarily due to increase in distribution network and better marketing.

#### *Other Income*

Other income increased by 377.78% from ₹0.18 million in Fiscal 2018 to ₹0.86 million in Fiscal 2019, primarily due to decrease in exchange gain on foreign exchange fluctuation and miscellaneous income.

As a percentage of total income, other income was 0.14% in Fiscal 2019 as compared to 0.09% in Fiscal 2018.

### **Expenses**

Total expenses increased by 237.50% from ₹157.46 million in Fiscal 2018 to ₹531.42 million in Fiscal 2019. As a percentage of total income, total expenses were 85.74% in Fiscal 2019 and 78.46% in Fiscal 2018.

#### *Purchase of stock-in-trade*



Expenses relating to purchase of stock-in-trade increased by 251.36% from ₹142.77 million in Fiscal 2018 to ₹501.63 million in Fiscal 2019, this increase was primarily on account of growth of our business. As a percentage of total income, expenses relating to purchases of stock-in-trade were 80.93% in Fiscal 2019 as compared to 71.14% in Fiscal 2018.

#### *Changes in inventories of stock-in-trade*

Expenses relating to changes in inventories of increased by 216.07% from ₹(31.67) million in Fiscal 2018 to ₹(100.10) million in Fiscal 2019, this increase was primarily on account of increased demand of our products. As a percentage of total income, expenses relating to changes in inventories of stock-in-trade were (16.15)% in Fiscal 2019 as compared to (15.78)% in Fiscal 2018.

#### *Employee benefits expense*

Employee benefits expenses increased by 145.71% from ₹3.61 million in Fiscal 2018 to ₹8.87 million in Fiscal 2019. As a percentage of total income, employee benefits expenses were 1.43% in Fiscal 2019 as compared to 1.80% in Fiscal 2018.

The relative increase in employee benefit expenses was primarily attributable to increase in salaries and wages of our employees and corresponding increase in contribution to provident and other funds and staff welfare expenses. Salaries and wages increased by 141.31% from ₹3.51 million in Fiscal 2018 to ₹8.47 million in Fiscal 2019, while contribution to provident fund and other funds increased by 260.00% from ₹0.10 million in Fiscal 2018 to ₹0.36 million in Fiscal 2019.

#### *Finance Costs*

Finance costs increased by 281.25% from ₹0.64 million in Fiscal 2018 to ₹2.44 million in Fiscal 2019, primarily due to increase in interest expense on financial liability measured at amortised cost on borrowings and on lease liabilities from ₹0.03 million in Fiscal 2018 to ₹1.12 million in Fiscal 2019. Further, there was an increase in other borrowing cost from ₹0.61 million in Fiscal 2018 to ₹1.31 million in Fiscal 2019. As a percentage of total income, finance costs were 0.39% in Fiscal 2019 as compared to 0.32% in Fiscal 2018.

#### *Depreciation Expenses*

Depreciation expenses increased by 850.00% from ₹0.06 million in Fiscal 2018 to ₹0.57 million in Fiscal 2019 primarily due to increase in depreciation on property, plant and equipment from ₹0.06 million in Fiscal 2018 to ₹0.19 million in Fiscal 2019 and increase in depreciation on right-of-use assets from no expenses in Fiscal 2018 to ₹0.38 million in Fiscal 2019. As a percentage of total income, depreciation expenses were 0.09% in Fiscal 2019 as compared to 0.03% in Fiscal 2018.

#### *Other Expenses*

Other expenses increased by 180.67% from ₹42.05 million in Fiscal 2018 to ₹118.02 million in Fiscal 2019 on account of increase in advertisement expenses, rent, shifting and handling expenses, sales, commission and incentive and freight charges. As a percentage of total income, other expenses were 19.04% in Fiscal 2019 as compared to 20.95% in Fiscal 2018.

Advertisement increased by 828.51% from ₹2.49 million in Fiscal 2018 to ₹23.12 million in Fiscal 2019 on account of reaching out to more customers and to increase the marketing network of our Company.

Our rent expenses increased by 540.54% from ₹0.37 million in Fiscal 2018 to ₹2.37 million in Fiscal 2019 due to increase in the cost of rent for accommodating the inventory and employees of our Company. The increase commensurate with the growth in the business of our Company.

Shifting and handling expenses increased by 290.63% from ₹0.64 million in Fiscal 2018 to ₹2.50 million in Fiscal 2019 due to increase in turnover of our company. The increase commensurate with the growth in the business of our

Company.

Commission and incentive increased by 100.06% from ₹30.96 million in Fiscal 2018 to ₹61.94 million in Fiscal 2020 due to increase in turnover of our Company. The increase commensurate with the growth in the business of our Company.

Our freight expenses increased by 275.50% from ₹4.98 million in Fiscal 2018 to ₹18.70 million in Fiscal 2019 due to increase in turnover of our Company. The increase commensurate with the growth in the business of our Company.

### Profit before tax

For the reasons discussed above, profit before tax increased from ₹43.23 million in Fiscal 2018 to ₹88.41 million in Fiscal 2019.

### Tax Expense

Our tax expenses in Fiscal 2019 were ₹26.15 million, including ₹26.21 million of current tax. In addition, there was a deferred tax of ₹(0.06) million in Fiscal 2019. Our tax expenses in Fiscal 2018 were ₹12.11 million, including ₹12.12 million of current tax. In addition, there was a deferred tax of ₹(0.01) million in Fiscal 2018.

### Profit for the Year

Profit for the year was ₹62.26 million in Fiscal 2019 compared to ₹31.12 million in Fiscal 2018.

## LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2020, we had cash and cash equivalents of ₹108.62 million. Our primary liquidity requirements have been and we expect will continue to be for funding the growth of our business and for our day-to-day operations. We have historically met our liquidity requirements through the cash flow generated through our business operations. We expect to meet our working capital needs and liquidity requirements for the next 12 months primarily from the proceeds of the Issue, cash flows from our business operations and borrowings, as determined by the management

### Cash Flows

The following table sets forth certain information relating to our cash flows on a consolidated basis for the periods indicated:

| Particulars                                                     | (In ₹ million)                                     |                       |                       |                       |
|-----------------------------------------------------------------|----------------------------------------------------|-----------------------|-----------------------|-----------------------|
|                                                                 | For the period April 1, 2020 to September 30, 2020 | Fiscal March 31, 2020 | Fiscal March 31, 2019 | Fiscal March 31, 2018 |
| Net cash generated from / (used in) operating activities (A)    | 562.53                                             | (79.23)               | 3.06                  | 0.99                  |
| Net cash used in investing activities (B)                       | (444.24)                                           | (3.94)                | (1.19)                | (0.18)                |
| Net cash generated from financing activities (C)                | (10.41)                                            | 82.76                 | (1.44)                | (0.58)                |
| Net increase / (decrease) in cash and cash equivalent (A+B+C=D) | 107.88                                             | (0.41)                | 0.43                  | 0.23                  |

### Operating Activities

#### Six Months Period Ended September 30, 2020

In the six months period ended September 30, 2020, net cash flow from operating activities was ₹562.53 million and the operating cash flows before working capital changes was ₹496.42 million. The changes in working capital amount to ₹130.94 million, primarily due to decrease in trade receivables of ₹88.88 million, increase in other current liabilities

of ₹110.04 million and increase in other current assets of ₹(56.68) million which were partially offset by increase in inventories of ₹(139.10) million and increase in trade payables of ₹125.22 million.

#### ***Fiscal 2020***

In the Fiscal 2020, net cash flow from operating activities was ₹(79.23) million and the operating cash flows before working capital changes was ₹97.73 million. The change in working capital amounted to ₹(176.90) million, primarily due to increase in inventories of ₹28.77 million, increase in trade receivables of ₹40.97 million, decrease in trade payables of ₹39.12 million, increase in other current assets of ₹23.20 million and decrease in other financial liabilities of ₹52.42 million which was partially offset by increase in other current liabilities of ₹7.09 million. Income tax paid was ₹0.06 million in the Fiscal 2020.

#### ***Fiscal 2019***

In the Fiscal 2019, net cash flow from operating activities was ₹3.06 million and the operating profit before working capital changes was ₹91.42 million. The change in working capital amounted to ₹(88.31) million, primarily due to increase in inventories of ₹100.10 million, increase in trade receivables of ₹71.70 million and increase in other current assets of ₹14.91 million which were partially offset by increase in trade payables of ₹44.90 million and increase in other current liabilities of ₹52.42 million. Income tax paid was ₹0.05 million in the Fiscal 2019.

#### ***Fiscal 2018***

In the Fiscal 2018, net cash flow from operating activities was ₹0.99 million and the operating profit before working capital changes was ₹43.57 million. The change in working capital amounted to ₹(42.58) million, primarily due to increase in inventories of ₹31.67 million, increase in trade receivables of ₹13.26 million and increase in other current assets of ₹29.10 million which was partially offset by increase in trade payables of ₹33.80 million.

### **Investing Activities**

#### ***Six Months Period Ended September 30, 2020***

Net cash flow from investing activities was ₹(444.24) million in six months period ended September 30, 2020, primarily on account of purchase of property, plant and equipment of ₹(0.67) million and investment in other bank balance of ₹(443.80) million which was partially offset by interest income received of ₹0.23 million

#### ***Fiscal 2020***

Net cash flow from investing activities was ₹(3.94) million in the Fiscal 2020, primarily on account of purchase of property, plant and equipment of ₹(4.12) million which was partially offset by interest income received of ₹ 0.18 million

#### ***Fiscal 2019***

Net cash flow from investing activities was ₹(1.19) million in the Fiscal 2019, primarily on account of purchase of property, plant and equipment of ₹1.19 million.

#### ***Fiscal 2018***

Net cash flow from investing activities was ₹(0.18) million in the Fiscal 2018, primarily on account of purchase of property, plant and equipment of ₹0.18 million.

### **Financing Activities**

#### ***Six Months Period Ended September 30, 2020***

Net cash flow from financing activities was ₹(10.41) million in the six months period ended September 30, 2020,

primarily due to, payment of lease liabilities of ₹1.80 million, interest paid of ₹2.59 million and repayment of borrowings of ₹54.77 million which was partially offset by proceeds from share application money pending allotment of ₹5.30 million and proceeds from borrowing of ₹43.45 million.

#### ***Fiscal 2020***

Net cash flow from financing activities was ₹82.76 million in the Fiscal 2020, primarily from proceeds of borrowings ₹98.99 million which were partially offset by repayment of borrowings of ₹7.50 million, payment of lease liabilities of ₹3.36 million and interest payment of ₹5.37 million.

#### ***Fiscal 2019***

Net cash flow from financing activities was ₹(1.44) million in the Fiscal 2019, primarily due to payment of lease liabilities of ₹0.41 million and interest paid of ₹1.03 million.

#### ***Fiscal 2018***

Net cash flow from financing activities was ₹(0.58) million in the Fiscal 2018, primarily due to repayment of borrowings of ₹0.55 million and interest paid of ₹0.03 million.

### **FINANCIAL INDEBTEDNESS**

As on September 30, 2020, our Company does not have any secured borrowings. Further, our Company has an outstanding unsecured loan amounting to ₹80.17 million (current borrowings of ₹44.20 million + non-current borrowings excluding lease liabilities of ₹35.97 million) as on September 30, 2020. For further details, please see “*Financial Indebtedness*” on page 209.

As of September 30, 2020, our total borrowings as per our Restated Consolidated Financial Information were ₹80.17 million primarily comprising of ₹35.97 million of deposits from directors and their relatives as unsecured loans while as on March 31, 2020, our total borrowings were ₹91.49 million primarily comprising of ₹90.74 million of deposits from directors and their relatives as unsecured loans. Further, as of March 31, 2019 and March 31, 2018, our total borrowings as per our Restated Consolidated Financial Information were ₹ Nil. The increase in the borrowings of our Company were mainly because of unsecured loans availed by our Company.

| <i>(₹ in millions)</i>                                   |                           |                       |                       |                       |
|----------------------------------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| <b>Particulars</b>                                       | <b>September 30, 2020</b> | <b>March 31, 2020</b> | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
| Current Borrowings (A)                                   | 44.20                     | 0.75                  | -                     | -                     |
| Non-Current Borrowings (excluding lease liabilities) (B) | 35.97                     | 90.74                 | -                     | -                     |
| <b>Total Borrowings C=(A+B)</b>                          | <b>80.17</b>              | <b>91.49</b>          | <b>-</b>              | <b>-</b>              |

### **NON-CURRENT ASSETS**

The non-current assets of our Company increased by 103.78% to ₹11.31 million for the financial year 2020 from ₹5.55 million for the financial year 2019, primarily due to increase in property plant and equipment (“PPE”) amounting to ₹3.34 million and right to use assets amounting ₹1.86 million. Further, the non-current assets of the Company increased by 2,215.50% to ₹5.55 million for the financial year 2019 from ₹0.24 million for the financial year 2018, primarily due to increase in PPE amounting to ₹1.01 million and right to use assets amounting to ₹4.23 million.

### **CAPITAL COMMITMENTS AND CONTRACTUAL OBLIGATIONS**

The table below set forth as of September 30, 2020, our financial liabilities based on contractual obligations. These obligations relate to our borrowings, trade payables and other financial liabilities, which include current maturities of lease liability and interest accrued:

*(In ₹ million)*

| Particulars                                               | Carrying amount | On demand | Upto 1 Year   | 1-3 Years    | More than 3 Years | Total         |
|-----------------------------------------------------------|-----------------|-----------|---------------|--------------|-------------------|---------------|
| Borrowings (excluding lease liabilities)*                 | 80.17           | -         | -             | 80.17        | -                 | 80.17         |
| Other financial liabilities (excluding lease liabilities) | 2.43            | -         | 2.43          | -            | -                 | 2.43          |
| Trade payables                                            | 182.86          | -         | 182.86        | -            | -                 | 182.86        |
| Lease Liabilities (Current + Non Current)                 | 17.40           | -         | 4.42          | 4.93         | 8.05              | 17.40         |
| <b>Total</b>                                              | <b>282.86</b>   | <b>-</b>  | <b>189.10</b> | <b>85.10</b> | <b>8.05</b>       | <b>282.86</b> |

\*Borrowings include current borrowings and non-current borrowings.

## OFF-BALANCE SHEET ARRANGEMENTS

Except as disclosed in our Restated Consolidated Financial Information or otherwise in this Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

## RELATED PARTY TRANSACTION

We enter into various transactions with related parties in the ordinary course of business. For further details relating to our related party transactions, see “Annexure VI – Note to Restated Consolidated Financial Information – Financial Statements” on page 155.

## QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

We are exposed to various types of market risks in the ordinary course of business, including credit risks, foreign currency exchange risk, liquidity risk and general risk:

### *Credit Risks*

We are exposed to the risk that our counterparties may not comply with their obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. Our customer base majorly has creditworthy counterparties which limits the credit risk, however, there can be no assurance that our counterparties may not default on their obligations, which may adversely affect our business and financial condition. If our customers do not pay us promptly, or at all, it may impact our working capital cycle and/or we may have to make provisions for or write-off on such amounts. In Fiscal 2018, 2019 and 2020 and as at six months period ended September 30, 2020, our trade receivables were ₹16.86 million, ₹88.56 million, ₹128.97 million and ₹40.08 million, respectively.

### *Foreign currency exchange risk*

Changes in currency exchange rates influence our results of operations. We import certain of our products from foreign

vendors, the price of which are denominated in foreign currency, which is mostly the U.S. dollar. Although we have risk policy in place to mitigate our foreign currency exchange risks, there can be no assurance it will enable us to avoid the effect of any adverse fluctuations in the value of the Indian Rupee against the U.S. Dollar or other relevant foreign currencies.

### ***Liquidity risk***

Adequate and timely cash availability for our operations is the liquidity risk associated with our operations. We require substantial amounts of working capital for our business operations such as marketing and distributing our products, developing new products and enhance existing products and the failure to obtain such capital may adversely affect our growth prospects and future profitability.

## **OTHER QUALITATIVE FACTORS**

### ***Unusual or Infrequent Events or Transactions***

Except as described in this Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.

### ***Significant Dependence on a single or few suppliers or customers***

We do not depend on one supplier. We do not depend on any particular customer. For dependence on suppliers, please see “Risk Factors — We depend on third parties to manufacture our products. If these organizations are unable or unwilling to manufacture our products, or if these organizations fail to comply with FDA or other applicable regulations or otherwise fail to meet our requirements, our business will be harmed” on page 25.

### ***Known Trends or Uncertainties***

Other than as described in this section and in “Risk Factors” on page on page 25, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

### ***Total Turnover of Each Major Industry Segment***

For the six months period ended September 30, 2020 and Financial Years 2020, 2019 and 2018, we operated in only a single reportable segment.

### ***Significant Economic Changes that Materially Affected or are likely to Affect Income from Operations***

Other than as described in this section and the sections of this Red Herring Prospectus titled “Risk Factors” and “Industry Overview” on pages on page 25 and on page 82, respectively, there have been no significant economic changes that materially affected or are likely to affect our Company's income from operations.

### ***Future relationship between Cost and Revenue***

Other than as described in “Risk Factors”, “Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages on page 25, 103 and 210, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition

### ***Material Increases in Net Income and Sales***

Material increases in our Company's net income and sales are primarily due to the reasons described in the section entitled “Management discussion and analysis of financial condition and results of operations - Results of Operations” above on page 210.

### ***Status of any publicly announced new products or business segment, if applicable***

Except as disclosed in “*Our Business*” on page 103, we have not announced and do not expect to announce in the near future any new products or business segments.

### ***Competitive Conditions***

We operate in a competitive environment. See “*Our Business*”, “*Industry Overview*” and “*Risk Factors*” on pages 103, 82 and 25, respectively, for further details on competitive conditions that we face in our business.

### ***Seasonality of Business***

There is no seasonality in our business.

## **SUMMARY OF RESERVATIONS, QUALIFICATIONS, ADVERSE REMARKS AND EMPHASIS OF MATTERS OF AUDITORS**

Except as stated below, our Statutory Auditors has not provided or highlighted any reservations/ qualifications/ adverse remarks/ emphasis of matters in their audit reports on the audited consolidated financial statements for the last three Fiscals preceding the date of this Red Herring Prospectus.

| <b>Period</b>                           | <b>Reservations/ Adverse Remarks/ Matter</b> | <b>Qualifications/ Emphasis of</b> | <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------|----------------------------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| For the period ended September 30, 2020 | Emphasis of Matter                           |                                    | The auditors' report has drawn attention in respect of the special purpose interim consolidated financial statements which describes the accounting for the Scheme of Arrangement ('Scheme') between the Company and Nectar Biopharma Private Limited, erstwhile Holding Company. The Scheme has been approved by the Honourable National Company Law Tribunal ('NCLT') vide its order dated 29 April 2020 and a certified copy has been filed by the Company with the Registrar of Companies, Mumbai, on 23 May 2020. The appointed date as per the NCLT approved Scheme is 1 April 2019 and as per the requirements of Appendix C to Ind AS 103 “Business Combinations”, the combination has been accounted for as if it had occurred from the beginning of the preceding period in the financial statements. Accordingly, the amounts for the period from 1 April 2020 to 30 September 2020 include the impact of the business combination have been restated by the Company after recognising the effect of the arrangement as above. |
| For the year ended March 31, 2020       | Emphasis of Matter                           |                                    | During the year ended 31 March 2020, the Company has recorded the effect of demerger as per the scheme of arrangement ('Scheme') among Nectar Biopharma Private Limited (demerged company) and Nureca Limited (resulting company) and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act 2013, which has been sanctioned by the Honourable National Company Law Tribunal, Mumbai vide its order dated 29 April 2020. The Scheme has become effective on 23 May 2020 ("Effective date") on filing of certified copy of the order with the Registrar of Companies. The appointed date from which the scheme is operative is 1 April 2019 (the "appointed date"). Pursuant to the above, the Company has accounted for the assets and liabilities so transferred at the book value from demerged company along with the portion of retained earnings pertaining to the specified undertaking and have recorded other                                                  |

| Period         | Reservations/<br>Adverse Remarks/<br>Matter | Qualifications/<br>Emphasis of | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------|---------------------------------------------|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| March 31, 2020 | Qualification                               |                                | <p>adjustments as necessary as stipulated in the Scheme which is also in accordance with the relevant accounting standard. Our opinion was not modified in respect of this matter.</p> <p>In addition to the audit opinion on the consolidated financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 ("the CARO 2016 Order") issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 on the standalone financial statements as at and for the financial years ended 31 March 2018, 31 March 2019 and 31 March 2020 respectively. Certain statements/comments included in the CARO in the standalone financial statements, which do not require any adjustments in the Restated Consolidated Financial Information are reproduced below in respect of the financial statements presented.</p> |

**For the year ended 31 March 2020**

**Clause (vii) (a) of CARO 2016 Order**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Employee's State Insurance, Goods and Services Tax ('GST'), Income-tax, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in few cases of Income Tax and GST during the year. Further, undisputed dues relating to Provident fund have not been regularly deposited with the appropriate authorities and there have been serious delays in a large number of cases.

| Particulars    | Period to which amount relates    | Amount (in ₹)* |
|----------------|-----------------------------------|----------------|
| Provident fund | 1 April 2019 to 30 September 2019 | 66,518         |

*\*Excluding interest and penalties as applicable.*

**SIGNIFICANT DEVELOPMENTS AFTER SEPTEMBER 30, 2020**

Other than as disclosed in this Red Herring Prospectus, including under “*Our Business*”, “*Risk Factors*” and in this section, to our knowledge no circumstances have arisen since the date of the last financial information disclosed in this Red Herring Prospectus which materially and adversely affect or are likely to affect, our trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months.



## SECTION VI: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (i) criminal proceedings involving our Company, Subsidiaries, Directors, or Promoter; (ii) actions by any statutory or regulatory authorities involving our Company, Subsidiaries, Directors, or Promoter; or (iii) claim involving our Company, Subsidiaries, Directors or Promoter for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and total amounts involved), (iv) proceeding involving our Company, Subsidiaries, Directors or Promoter (other than proceedings covered under (i) to (iii) above) which has been determined to be “material” pursuant to the materiality policy approved by our Board in its meeting held on October 21, 2020 (“**Materiality Policy**”) (as disclosed herein below).*

*In terms of the Materiality Policy, other than outstanding criminal proceedings, actions taken by any statutory or regulatory authority and claims for any direct or indirect tax liabilities mentioned in point (i) to (iii) above, all other pending litigation:*

*A. involving our Company and Subsidiaries:*

- i. where the aggregate monetary claim made by or against our Company and our Subsidiaries, in any such pending litigation proceeding is in excess of (i) one percent of the consolidated profit after tax of our Company; or (ii) one percent of our consolidated total income of our Company, whichever is lower, in the most recently completed Fiscal as per the Restated Consolidated Financial Information. The consolidated profit after tax of our Company for Fiscal 2020 as per the Restated Consolidated Financial Information was ₹ 63.95 million while the consolidated total income of our Company for Fiscal 2020 was ₹ 994.87 million. Accordingly, we have disclosed all such outstanding litigation proceedings where the aggregate monetary claim made by or against our Company and our Subsidiaries, in any such pending litigation proceeding is in excess of ₹ 0.64 million (being one per cent of the consolidated profit after tax of our Company for Fiscal 2020 as per the Restated Consolidated Financial Information);*
- ii. where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (i) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (i) above; and*
- iii. where the monetary liability is not quantifiable, or which does not fulfil the threshold specified in (i) above, but the outcome of which could, nonetheless may have a material adverse effect on the position, business, operations, prospects or reputation of our Company have been considered “material”;*

*B. involving our Directors and our Promoter (individually or in aggregate), the outcome of which would materially and adversely affect the business, operations, prospects, financial position or reputation of our Company, irrespective of the amount involved, has been considered as material.*

*Further, except as disclosed in this section, there are no (i) disciplinary action taken against any of our Promoter by SEBI or the Stock Exchange in the five Fiscals preceding the date of this Red Herring Prospectus; and (ii) litigation involving our Group Companies which may have a material impact on our Company.*

*Further, in accordance with the Materiality Policy, a creditor of our Company, shall be considered to be material creditor (except banks and financial institutions from whom the Company has availed financing facilities) for the purpose of disclosure in the offer documents, if amounts due to such creditor exceeds five per cent. of the total consolidated trade payables of our Company as per the most recently completed Fiscal as per the Restated Consolidated Financial Information. Accordingly, we have disclosed consolidated information of outstanding dues owed to any creditors of our Company, separately giving details of number of cases and amount for all dues where each of the dues exceed ₹ 2.92 million (being approximately five per cent. of total consolidated trade payables of our Company as at March 31, 2020 as per the Restated Consolidated Financial Information) (“**Material Dues**”). Further, in accordance with the Materiality Policy for the disclosure of the outstanding dues to any party which is a micro, small or a medium enterprise (“**MSME**”) will be based on information available with our Company regarding status*

*of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

*Unless stated to the contrary, the information provided in this section is as of the date of this Red Herring Prospectus. All terms defined in a summary pertaining to a particular litigation shall be construed only in respect of the summary of the litigation where such term is used.*

## **I. Litigation involving our Company**

### **A. Outstanding criminal proceedings involving our Company**

#### **Criminal proceedings initiated against our Company**

As on the date of this Red Herring Prospectus, there are no outstanding criminal litigation proceedings initiated against our Company

#### **Criminal proceedings initiated by our Company**

As on the date of this Red Herring Prospectus, there are no outstanding criminal litigation proceedings initiated by our Company.

### **B. Tax involving our Company**

As on the date of this Red Herring Prospectus, there are no outstanding tax proceedings involving our Company.

### **C. Other outstanding litigation involving our Company**

#### *Civil litigations initiated against our Company*

As on the date of this Red Herring Prospectus, there are no outstanding material civil litigation proceedings initiated against our Company.

#### *Civil litigations initiated by our Company*

As on the date of this Red Herring Prospectus, there are no outstanding material civil litigation proceedings initiated by our Company.

### **D. Pending action by regulatory or statutory authority involving our Company**

As on the date of this Red Herring Prospectus, there are no pending action/s by regulatory and statutory authorities against our Company

## **II. Litigation involving our Subsidiaries**

### **A. Outstanding criminal proceedings involving our Subsidiaries**

#### **Criminal proceedings initiated against our Subsidiaries**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings against our Subsidiaries.

#### **Criminal proceedings initiated by our Subsidiaries**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings by our Subsidiaries.

### **B. Tax involving our Subsidiaries**

As on the date of this Red Herring Prospectus, there are no outstanding tax proceedings involving our Subsidiaries.

**C. Other outstanding litigation involving our Subsidiaries**

**Civil litigations initiated against our Subsidiaries**

As on the date of this Red Herring Prospectus, there are no outstanding material civil litigation against our Subsidiaries.

**Civil litigations initiated by our Subsidiaries**

As on the date of this Red Herring Prospectus, there are no outstanding material civil litigation initiated by our Subsidiaries.

**D. Pending action by statutory or regulatory authorities against our Subsidiaries**

As on the date of this Red Herring Prospectus, there are no pending actions by statutory or regulatory authorities against our Subsidiaries.

**III. Litigation involving our Directors**

**A. Outstanding criminal proceedings involving our Directors**

**Criminal proceedings initiated against our Directors**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Directors.

**Criminal proceedings initiated by our Directors**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Directors.

**B. Tax involving our Directors**

As on the date of this Red Herring Prospectus, there are no outstanding tax proceedings involving our Directors.

**C. Other outstanding litigation involving our Directors**

**Civil litigations initiated against our Directors**

As on the date of this Red Herring Prospectus, there are no outstanding material civil litigations initiated against our Directors.

**Civil litigations initiated by our Directors**

As on the date of this Red Herring Prospectus, there are no outstanding material civil litigations initiated by our Directors.

**D. Pending action by statutory or regulatory authorities against our Directors**

Except as below on the date of this Red Herring Prospectus, there are no pending action by statutory or regulatory authorities against our Directors:

1. Search and seizure operations under Section 132 of the Income Tax Act, 1961 / Section 37 A of the Wealth Tax Act, 1957 were carried out by the income tax department from December 13, 2020 to December 15, 2020 at residences of our Promoter Saurabh Goyal, members of the Promoter Group Aryan Goyal, Payal Goyal and

Smita Goyal in the case of Nectar Lifesciences Limited alongside Sanjiv Goyal, Raman Goyal, Aryan Goyal, Saurabh Goyal, Payal Goyal and Smita Goyal. During the course of the search and seizure operations, the income tax authorities impounded certain items such as cash, jewellery and ornaments. As on the date of this Red Herring Prospectus, none of the individuals have received further communication and / or notice from the Income tax authorities in relation to the abovementioned search and seizure proceedings.

2. Search and seizure operations under Section 132 of the Income Tax Act, 1961 / Section 37 A of the Wealth Tax Act, 1957 were carried out by the income tax department on December 13, 2020 at the residence of one of our Director Rajinder Sharma in the case of Nectar Lifesciences Limited and Avensis Exports Private Limited. During the course of the search and seizure operations, the income tax authorities impounded a mobile set. As on date of this Red Herring Prospectus, Rajinder Sharma has not received any further communication and / or notice from the Income tax authorities in relation to the said search and seizure proceedings.

#### **IV. Litigation involving our Promoter**

##### **A. Outstanding criminal proceedings involving our Promoter**

###### **Criminal proceedings initiated against our Promoter**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Promoter.

###### **Criminal proceedings initiated by our Promoter**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Promoter.

##### **B. Tax involving our Promoter**

As on the date of this Red Herring Prospectus, there are no outstanding tax proceedings involving our Promoter.

##### **C. Other outstanding litigation involving our Promoter**

###### **Civil litigations initiated against our Promoter**

As on the date of this Red Herring Prospectus, there are no outstanding material civil litigations initiated against our Promoter.

###### **Civil litigations initiated by our Promoter**

As on the date of this Red Herring Prospectus, there are no outstanding material civil litigations initiated by our Promoter.

##### **D. Pending action by statutory or regulatory authorities against our Promoter**

Except as stated under the title “*Litigation involving our Directors - Pending action by statutory or regulatory authorities against our Directors*” under this section, as on the date of this Red Herring Prospectus, there are no pending action by statutory or regulatory authorities against our Promoter.

#### **V. Outstanding dues to small scale undertakings or any other creditors**

Details in relation to the total 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 in accordance with the Materiality Policy and other creditors as on September 30, 2020, are as set forth below:

| <b>Particulars</b>                           | <b>Number of creditors</b> | <b>Amount involved (in ₹ million)</b> |
|----------------------------------------------|----------------------------|---------------------------------------|
| Outstanding dues to small scale undertakings | 0                          | -                                     |

| <b>Particulars</b>                  | <b>Number of creditors</b> | <b>Amount involved (in ₹ million)</b> |
|-------------------------------------|----------------------------|---------------------------------------|
| Outstanding dues to other creditors | 58                         | 182.86                                |
| <b>Total Outstanding Dues</b>       | <b>58</b>                  | <b>182.86</b>                         |

Complete details of outstanding over dues to our material creditors along with the name and amount involved as on September 30, 2020 for each such material creditor is available on the website of our Company at [www.nureca.com](http://www.nureca.com). Information provided on the website of our Company is not a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, [www.nureca.com](http://www.nureca.com), would be doing so at their own risk.

#### **VI. Material developments since the last balance sheet date**

Except as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" on page 210, there have not arisen since the date of the last Restated Consolidated Financial Information included in this Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our profitability or operations taken as a whole or the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months

## GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein, we have obtained all material consents, licenses, permissions, registrations and approvals, from various governmental statutory and regulatory authorities, which are necessary for undertaking our current business activities and operations (“**Material Approvals**”). Except as disclosed below, no further Material Approvals are required for carrying on the present business activities and operations of our Company or. In the event any of the approvals and licenses that are required for our business operations expire in the ordinary course, we make applications for their renewal from time to time. Unless otherwise stated, these approvals are valid as of the date of this Red Herring Prospectus.

For details in connection with the regulatory and legal framework within which we operate, see “*Key Regulations and Policies*” on page 116.

### **I. Approvals in relation to the Issue**

For the approvals and authorizations obtained by our Company in relation to the Issue, see “*Other Regulatory and Statutory Disclosures – Authority for the Issue*” on page 253.

### **II. Material Approvals in relation to the business operations of our Company, as applicable**

1. License bearing No. 12119801000050 for wholesaling and marketing of food products and beverages, issued to our Company by the Food Safety and Standards Authority of India, Government of Punjab, which is valid up to February 4, 2021.
2. Licence bearing No. TS/HYD/2019-52818 to sell, stock, or exhibit (or offer) for sale, or distribute by wholesale drugs other than those specified in Schedule C, C(1) and X, on the premises situated at Secunderabad, District-Hyderabad issued in Form 20B, by the Drugs Control Administration, Government of Telangana, to our Company, which is perpetually valid.
3. Licence bearing No. TS/HYD/2019-52818 to sell, stock, or exhibit (or offer) for sale, or distribute by wholesale drugs specified in Schedule C and C(1) excluding those specified in Schedule X, on the premises situated at Secunderabad, District-Hyderabad issued in Form 21B, by the Drugs Control Administration, Government of Telangana, to our Company, which is perpetually valid.
4. Licence bearing No. PB-SA2-134416 to sell, stock, or exhibit (or offer) for sale, or distribute by wholesale drugs other than those specified in Schedule C, C(1) and X, on the premises situated at Pabhat, Zirakpur, Tal: Dera Bassi issued in Form 20B, by the Department of Drugs Control, Government of Punjab, to our Company, which is valid up to November 18, 2025.
5. Licence bearing No. PB-SA2-134417 to sell, stock, or exhibit (or offer) for sale, or distribute by wholesale drugs on the premises situated at Pabhat, Zirakpur, Tal: Dera Bassi issued in Form 21B, by the Department of Drugs Control, Government of Punjab, to our Company, which is valid up to November 18, 2025.
6. Licence bearing No. PB-SA2-144697 to sell, stock, or exhibit (or offer) for sale, or distribute by wholesale drugs other than those specified in Schedule C, C(1) and X, on the premises situated at Ramesh Nagar, Pabhat, Zirakpur, Tal: Dera Bassi issued in Form 20B, by the Department of Drugs Control, Government of Punjab, to our Company, which is valid up to July 10, 2024.
7. Licence bearing No. PB-SA2-144698 to sell, stock, or exhibit (or offer) for sale, or distribute by wholesale drugs on the premises situated at Ramesh Nagar, Pabhat, Zirakpur, Tal: Dera Bassi issued in Form 21B, by the Department of Drugs Control, Government of Punjab, to our Company, which is valid up to July 10, 2024.
8. Certificate of Registration bearing certificate number 0104950 issued to our Company by Intertek Certification Limited certifying that the management system of our Company is in conformity with the

requirements of ISO 9001:2015 applicable to sales, service and warehousing of medical devices, consumer electronics, pharmaceutical and personal care products, which is valid up to August 31, 2023.

9. Licence bearing No. 2242-2019/OB to sell, stock, or exhibit (or offer) for sale, or distribute by retail drugs other than those specified in Schedule C, C(1) and X and to operate on the premises situated at Chandigarh issued in Form 20, by the Licensing Authority-cum-Drugs Controller, Chandigarh Administration, to our Company, which is valid up to January 21, 2024.
10. Licence bearing No. 2243-2019/B to sell, stock, or exhibit (or offer) for sale, or distribute by retail the drugs specified in Schedule C and C(1) (excluding those specified in Schedule X) and to operate a pharmacy on the premises situated at Chandigarh issued in Form 21, by the Licensing Authority-cum-Drugs Controller, Chandigarh Administration, to our Company, which is valid up to January 21, 2024.
11. License bearing No. CLM/UTD/2020/85 to deal in weighing scale, blood pressure monitor and thermometer, infrared meter, issued by the Controller of Legal Metrology, Chandigarh Administration, to our Company, which is valid upto December 31, 2021.

### **III. Certain other Material Approvals, as applicable**

1. Certificate of incorporation issued by the registrar of companies. For details of certificates of incorporation, see *"History and Certain Corporate Matters"* on page 120;
2. PAN, TAN, GST registrations issued to our Company by the respective tax authorities under the relevant tax statutes;
3. Employees State Insurance code number 17000620540000999 allotted to our Company by the Employees' State Insurance Corporation;
4. Provide Fund code number PBCHD2180510000 allotted to our Company by the Employees' Provident Fund Organisation.

### **IV. Approvals in relation to the intellectual property of our Company**

#### **A. Trademarks:**

As on date of this Red Herring Prospectus, Our Company has obtained 66 trademark registrations under the Trademarks Act, 1999; 12 trademark applications are currently pending for approval; 13 trademark applications are presently objected; 11 trademark applications are presently opposed; and 4 trademark applications are presently refused by the Trade Marks Registry. Further, our Company has also filed various applications for the registration of trademarks in the United States, China and Europe, which are currently pending for approval.

#### **B. Copyrights:**

As on date of this Red Herring Prospectus, Our Company has obtained 6 copyright registrations under the Copyright Act, 1957.

#### **C. Designs:**

As on date of this Red Herring Prospectus, Our Company has obtained 92 design registrations under the Designs Act, 2000; 12 design applications are currently pending for approval; and 1 design application is presently refused by the Controller of Patents, Designs and Trademarks.

### **V. Applications filed by our Company to obtain licenses, which are currently pending for approval**

1. Application bearing reference no. 20200609100485550 for obtaining license under the Food Safety and Standards Act, 2006 filed by our Company to Food Safety Cell, Chandigarh, on June 10, 2020.
2. Application bearing reference no. NURECA/LM/2020 for obtaining dealer's license in weights, measures, weighing instruments or measuring instruments made by our Company to the Assistant Controller, Legal Metrology Department, Samba, Jammu & Kashmir on September 26, 2020.
3. Application for grant of retail sale of a license to sell, stock or exhibit for sale or distribution of drugs under Form 19 to Principal Medical Officer, Chandigarh on January 4, 2021.

**VI. License/ approvals which have expired and for which renewal applications have been made by our Company**

1. Application bearing reference number CIFRGFR/2020/00051 filed by our Company with the Labour Department, Union Territory, Chandigarh, on December 5, 2020, for renewal of registration and license to work a factory under the Factories Act, 1948.



## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

#### **Corporate Approvals**

- The Board, pursuant to its resolution dated September 3, 2020, authorised the Issue subject to approval of the Shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013. The Shareholders of our Company have, by a special resolution dated September 4, 2020, approved and authorised the Issue and authorised the Board to take decisions in relation to this Issue.
- The Board has approved the Draft Red Herring Prospectus pursuant to its resolution dated November 10, 2020.
- The Board has approved this Red Herring Prospectus pursuant to its resolution dated January 29, 2021.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated December 7, 2020 and December 24, 2020, respectively.

### **Prohibition by SEBI or other Governmental Authorities**

Our Company, our Promoter, 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 Directors and Promoter 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 Promoter 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, nor our Promoter, relatives (as defined under the Companies Act) of our Promoter, or Directors have been categorized as wilful defaulters as defined under the SEBI ICDR Regulations.

### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company, our Promoter, the members of the promoter group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent in force and applicable, as on the date of this Red Herring Prospectus.

### **Directors associated with the Securities Market**

None of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by SEBI against any of our Directors in the five years preceding the date of this Red Herring Prospectus.

### **Eligibility for the Issue**

Our Company is eligible for the Issue in accordance with the Regulation 6(2) of the SEBI ICDR Regulations, which states as follows:

*“Any issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.”*

We are an unlisted company, not satisfying the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations

and are therefore required to allot not less than 75% of the Net Issue to QIBs to meet the conditions as detailed under Regulation 6(2) of the SEBI ICDR Regulations. In the event that we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Issue shall be not less than 1,000 failing which, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and applicable law.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliances with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of SEBI ICDR Regulations are as follows:

- a. None of our Company, our Promoter, members of our promoter group or our Directors are debarred from accessing the capital markets by the SEBI.
- b. None of our Promoter or Directors are promoter or directors of companies which are debarred from accessing the capital markets by SEBI.
- c. None of our Company, our Promoter or Directors is a willful defaulter.
- d. None of our Director or our Promoter has been declared a Fugitive Economic Offender.
- e. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Red Herring Prospectus.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO 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 BRLM, ITI CAPITAL LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BRLM IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM, ITI CAPITAL LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 10, 2020 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE**

**REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLM, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

**Disclaimer from our Company and the BRLM**

Our Company, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website [www.nureca.com](http://www.nureca.com), would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by our Company and the BRLM 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 Bidding centres or elsewhere.

None among our Company or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) 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.

Investors who Bid in the Issue will be required to confirm and will be deemed to have represented to our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM and its associates and affiliates may engage in transactions with, and perform services for, our Company, the Promoter, Promoter Group and their respective directors and officers, Subsidiaries, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoter, Promoter Group, Subsidiaries, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

**Disclaimer in respect of Jurisdiction**

Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

The 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 authorised to invest in shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Red Herring Prospectus did not constitute an invitation to subscribe to or purchase the Equity Shares in the Issue in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made

only pursuant to this Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises this Red Herring Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India. **No person outside India is eligible to bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.**

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 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 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 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.

**NO PERSON OUTSIDE INDIA IS ELIGIBLE TO BID FOR EQUITY SHARES UNLESS THAT PERSON HAS RECEIVED A PRELIMINARY OFFERING MEMORANDUM FOR THE ISSUE, WHICH COMPRISES THIS RED HERRING PROSPECTUS AND A PRELIMINARY INTERNATIONAL WRAP THAT CONTAINS, AMONG OTHER THINGS, THE SELLING RESTRICTIONS APPLICABLE TO THE OFFER OUTSIDE INDIA AND THE APPLICABLE LAWS OF THE JURISDICTIONS WHERE SUCH OFFERS AND SALES ARE MADE.**

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (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. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and applicable laws of the jurisdictions where such offers and sales are made.

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.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

#### **Disclaimer Clause of BSE**

BSE Limited (“the Exchange”) has given vide its letter dated December 07, 2020 permission to this Company to use the Exchange’s name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- a. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- b. warrant that this Company’s securities will be listed or will continue to be listed on the Exchange; or
- c. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

## **Disclaimer Clause of NSE**

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/866 dated December 24, 2020 permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

## **Listing**

The Equity Shares issued through this Red Herring Prospectus are proposed to be listed on BSE and NSE. Applications shall made be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares to be issued and sold in the Issue. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

## **Consents**

Consents in writing of the Promoter, our Directors, our Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, legal advisor, Bankers to our Company, the BRLM, the Registrar to the Issue, Link Intime India Private Limited have been obtained; and consents in writing of the Syndicate Members, the Public Issue Bank, Escrow Collection Bank Sponsor Bank and Refund Banker to act in their respective capacities, has been obtained and filed along with a copy of this Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of this Red Herring Prospectus for filing with the RoC.

## **Expert to the Issue**

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

Our Company has received written consent dated January 29, 2021 from our Statutory Auditor, namely, B S R & Co. LLP, Chartered Accountants to include their name as required under section 26 of the Companies Act, 2013, in this Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013, in relation to its examination reports, dated January 19, 2021 on the Restated Consolidated Financial Information and the report on Statement of Possible Tax Benefits dated January 29, 2021 and such consent has not been withdrawn as of the date of this Red Herring Prospectus. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

## **Particulars regarding public or rights issues during the last five years**

Our Company has not undertaken any public issue or rights issue since our incorporation

## **Commission and Brokerage paid on previous issues of the Equity Shares in the last five years**

Since this is the initial public issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

**Capital issued during the preceding three years by our Company, listed group companies, subsidiary and our associate**

Other than as disclosed in the section titled “*Capital Structure – Share Capital History of our Company*” on page 61, our Company has not made any capital issues during the three years preceding the date of this Red Herring Prospectus.

None of the securities of our Subsidiaries, associates or Group Companies are listed on any stock exchange.

**Performance vis-à-vis objects - Public/ rights issue of our Company during the last five years preceding the date of RHP**

Our Company has not made any public issue or rights issue since our incorporation.

**Performance vis-à-vis object - Public/ rights issue of the listed group companies, subsidiaries or associates of our Company**

Our Company does not have any listed group companies, subsidiaries or associate companies which has undertaken any public or rights issue in the five years preceding the date of this Red Herring Prospectus.

## Price information of past issues handled by the BRLM

### ITI Capital Limited

1. Price information of past public issues (during current financial year and two financial years preceding the current financial year) handled by ITI Capital Limited:

| Sr. No. | Issue name                      | Issue size<br>(₹ in million) | Issue price<br>(₹) | Listing date      | Opening price on listing date<br>(in ₹) | +/- % change in closing price, [+/- % change in closing benchmark]- 30th Calendar day from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th Calendar day from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180th Calendar day from listing |
|---------|---------------------------------|------------------------------|--------------------|-------------------|-----------------------------------------|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 1.      | Xelpmoc Design and Tech Limited | 230.00                       | 66                 | February 04, 2019 | 56                                      | +10.91[-0.38%]                                                                                     | +11.59[+6.51%]                                                                                     | -1.52[+1.46%]                                                                                       |

Source: [www.bseindia.com](http://www.bseindia.com) for price information and prospectus for issue details

#### Notes:

- In the event, any day falls on a holiday, the price/ index of the immediately preceding working day has been considered.
  - Xelpmoc Design and Tech Limited prices are according to trades on BSE and S&P BSE Sensex.
  - % of change in closing price on 30th/ 90th/ 180th calendar day from listing day is calculated vs Issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th/ 180th calendar day from listing day.
2. Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by ITI Capital Limited:

| Financial year | Total no. of IPOs | Total funds raised<br>(₹ in millions) | Nos. of IPOs trading at discount – 30 <sup>th</sup> calendar day from listing |                 |               | Nos. of IPOs trading at premium – 30 <sup>th</sup> calendar day from listing |                 |               | Nos. of IPOs trading at discount – 180 <sup>th</sup> calendar day from listing |                 |               | Nos. of IPOs trading at premium – 180 <sup>th</sup> calendar day from listing |                 |               |
|----------------|-------------------|---------------------------------------|-------------------------------------------------------------------------------|-----------------|---------------|------------------------------------------------------------------------------|-----------------|---------------|--------------------------------------------------------------------------------|-----------------|---------------|-------------------------------------------------------------------------------|-----------------|---------------|
|                |                   |                                       | Over 50%                                                                      | Between 25%-50% | Less than 25% | Over 50%                                                                     | Between 25%-50% | Less than 25% | Over 50%                                                                       | Between 25%-50% | Less than 25% | Over 50%                                                                      | Between 25%-50% | Less than 25% |
| 2020-2021*     | -                 | -                                     | -                                                                             | -               | -             | -                                                                            | -               | -             | -                                                                              | -               | -             | -                                                                             | -               | -             |
| 2019-2020      | -                 | -                                     | -                                                                             | -               | -             | -                                                                            | -               | -             | -                                                                              | -               | -             | -                                                                             | -               | -             |
| 2018-2019      | 1                 | 230.00                                | -                                                                             | -               | -             | -                                                                            | -               | 1             | -                                                                              | -               | 1             | -                                                                             | -               | -             |

\*As on the date of this Red Herring Prospectus

### Track record of past issues handled by the BRLM

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLM as set forth in the table below:

| S. No. | Name of the BRLM    | Website           |
|--------|---------------------|-------------------|
| 1.     | ITI Capital Limited | www.iticapital.in |

### Stock Market Data of Equity Shares

This being an initial public offer of the Equity Shares, the Equity Shares are not listed on any stock exchange 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 and our Company provides for the retention of records with Registrar to the Issue for a period of at least eight years from the last date of dispatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach Registrar to the Issue for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID in case of RIBs, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Bidders 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, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Anchor Investors are required to address all grievances in relation to the Issue to the BRLM.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted a Stakeholders' Relationship Committee comprising, Smita Goyal as a Chairman, Charu Singh and Rajinder Sharma as members. For details of the Stakeholders' Relationship Committee, see the section titled "*Our Management*" on page 127.

Our Company has also appointed Gurvikram Singh, the Company Secretary of our Company, as the Compliance Officer for the Issue. For details, please see the section entitled "*General Information*" on page 53.

Our Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor complaint during the three years preceding the date of the Draft Red Herring Prospectus and this Red Herring Prospectus.

Further, no investor complaint in relation to our Company is pending as on the date of this Red Herring Prospectus



## SECTION VII: ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association, the terms of this Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bidcum Application Form, the Revision Form, the CAN / Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, 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 Exchanges, the RBI, RoC 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 the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

#### Ranking of the Equity Shares

The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Companies Act, the Memorandum of Association and Articles of Association, the SEBI Listing Regulations and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividend. The Allottees upon Allotment of Equity Shares under the Issue will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section titled “*Description of Equity Shares and Terms of the Articles of Association*” on page 287.

#### Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum of Association and Articles of Association and provisions of the SEBI Listing Regulations. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable law. For further details in relation to dividends, see the sections titled “*Dividend Policy*” and “*Description of Equity Shares and Terms of the Articles of Association*” on pages 152 and 287, respectively.

#### Face Value, Issue Price, Floor Price and 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 and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band, Employee Discount and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and will be advertised in all editions of English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta, and Mumbai editions of Marathi newspaper Navshakti (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 Stock Exchanges for the purpose of uploading on their websites in consonance with the SEBI ICDR Regulations. 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 websites of the Stock Exchanges. The Issue Price shall be determined by our Company 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 Equity Shares.

#### Compliance with disclosure and accounting norms

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, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and the Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see the section titled “*Description of Equity Shares and Terms of the Articles of Association*” on page 287.

#### **Allotment of Equity Shares only in Dematerialised Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated August 13, 2020 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated August 11, 2020 between CDSL, our Company and Registrar to the Issue.

#### **Market Lot and Trading Lot**

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment of Equity Shares pursuant to the Issue to the successful Bidders will be only in electronic form and in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

#### **Period of operation of subscription list**

See the sub-section titled “*Terms of the Issue – Bid/ Issue Programme*” on page 261.

#### **Joint Holders**

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

#### **Jurisdiction**

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in Mumbai, India.

#### **Nomination facility to Bidders**

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debenture Rules) 2014, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, 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 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 nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

### **Withdrawal of the Issue**

The Issue shall be withdrawn in the event the requirement of the minimum subscription as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company shall issue a public notice in the same newspapers in which the pre-Issue advertisements were published, within 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 to the Issue, shall notify the SCSBs and Sponsor Banks, as applicable, to unblock the bank accounts of the ASBA/ RIIs Bidding using the UPI Mechanism within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed. If our Company withdraw the Issue after the Bid/ Issue Closing Date and thereafter determine that they will proceed with a fresh issue, our Company shall file a fresh draft red herring prospectus with SEBI.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

### **Bid/ Issue Programme**

|                                                                                                   |                               |
|---------------------------------------------------------------------------------------------------|-------------------------------|
| <b>BID/ ISSUE OPENS ON*</b>                                                                       | February 15, 2021             |
| <b>BID/ ISSUE CLOSES ON**</b>                                                                     | February 17, 2021             |
| <b>FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE</b>                      | On or about February 23, 2021 |
| <b>INITIATION OF REFUNDS (IF ANY, FOR ANCHOR INVESTORS)/UNBLOCKING OF FUNDS FROM ASBA ACCOUNT</b> | On or about February 24, 2021 |
| <b>CREDIT OF EQUITY SHARES TO DEMAT ACCOUNTS OF ALLOTTEES</b>                                     | On or about February 25, 2021 |
| <b>COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGES</b>                        | On or about February 26, 2021 |

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

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/ 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.

This timetable is indicative in nature and does not constitute any obligation or liability on our Company or the members of the Syndicate. While our Company will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within six Working Days of the Bid/ Issue Closing Date or such other period as may be prescribed by SEBI, the timetable may be subject to change for various reasons, including extension of Bid/ Issue Period by our Company, due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law.

Except in relation to Anchor Investors, Bids and any revision in Bids will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/ Issue Period at the Bidding Centers, except that on the Bid/ Issue Closing Date (which for QIBs may be a day prior to the Bid/ Issue Closing Date for non-QIBs), Bids will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. (Indian Standard Time) for Bids by QIBs and Non-Institutional Investors ; and (ii) 5.00 p.m. or such extended time as permitted by the Stock Exchanges (Indian Standard Time) in case of Bids by Retail Individual Investors and Eligible Employees Bidding under Employee Reservation Portion. On the Bid/ Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors and Eligible Employees Bidding under Employee Reservation Portion, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and as informed to the Stock Exchanges.

Due to limitation of time available for uploading Bids on the Bid/ Issue Closing Date, Bidders are advised to submit Bids one day prior to the Bid/ Issue Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/ Issue Closing Date. Bidders are cautioned that if a large number of Bids are received on the Bid/ Issue Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation in the Issue. 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 the SCSBs would be rejected. Our Company and the members of Syndicate will not be responsible or liable for any failure in uploading Bids due to faults in any hardware/software system or otherwise. Bids will be accepted only on Working Days. Bidders may please note that as per letters dated July 3, 2006 and July 6, 2006, issued by the BSE and NSE respectively, Bids and any revisions in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period in accordance with the SEBI ICDR Regulations. 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, but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap price shall be less than or equal to 120% of the Floor Price.

**In case of revision in the Price Band or in case of force majeure, banking strike or similar circumstances, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice and also by indicating the change on the terminals of the Syndicate Members. However, in case of revision in the Price Band, the Bid Lot shall remain the same.**

**In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.**

#### **Minimum Subscription**

As prescribed, the minimum subscription in the Issue shall be 90% of the Issue. If our Company does not receive (i) the minimum subscription of 90% of the Issue on the Issue Closing Date and (ii) minimum Allotment as specified under Rule 19(2)(b) of the SCRR or if the subscription level falls below 90% on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares to be listed on such Stock Exchanges, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after our Company becomes liable to pay the subscription amount as prescribed under the SEBI ICDR Regulations, our Company and every Director of our Company who are officers in default, shall pay interest at the rate of 15% per annum.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

#### **Arrangement for Disposal of Odd Lots**

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

#### **Restrictions, if any, on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue capital of our Company, lock-in of the Promoter; minimum contribution and the Anchor Investor lock-in in the Issue as detailed in “*Capital Structure*” on page 61, and except as provided in the Articles of Association as detailed in “*Description of Equity Shares and Terms of the Articles of Association*” on page 287 and except conditions as may be prescribed by the RBI in case of Non-Resident Investors, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/ splitting.

## ISSUE STRUCTURE

Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share including a premium of ₹ [●] per Equity Share, aggregating up to ₹1,000.00 million, comprising a Net Issue of [●] Equity Shares and Employee Reservation of up to [●] Equity Shares (constituting up to 5% of the post-Issue paid-up Equity Share capital of our Company). The Issue and Net Issue shall constitute [●]% and [●]%, respectively, of the post-Issue issued, subscribed and paid-up Equity Share capital of our Company.

The face value of the equity shares is ₹10 each.

The Issue is being made through the Book Building Process.

| Particulars                                                               | QIBs <sup>1</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Non-Institutional Investors                                                                          | Retail Individual Investors                                                                                                                                                                                        | Eligible Employee <sup>5</sup>                                                                              |
|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| Number of Equity Shares available for allocation* <sup>2</sup>            | Not less than [●] Equity Shares                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Not more than [●] Equity Shares or Net Issue less allocation to QIBs and Retail Individual Investors | Not more than [●] Equity Shares or Net Issue less allocation to QIBs and Non-Institutional Investors                                                                                                               | Up to [●]^ Equity Shares                                                                                    |
| Percentage of Issue size available for allocation/ Allotment              | Not less than 75% of the Net Issue shall be Allotted to QIB Bidders.<br><br>However, 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Domestic Mutual Fund reservation will be available for allocation to QIBs (excluding Anchor Investor Portion). | Not more than 15% of the Net Issue or the Net Issue.                                                 | Not more than 10% of the Net Issue.                                                                                                                                                                                | The Employee Reservation Portion shall constitute up to [●]% of the post-Issue paid-up Equity Share capital |
| Basis of Allotment / Allocation if respective category is oversubscribed* | Proportionate as follows (excluding the Anchor Investor Portion):<br>(a) up to [●] Equity Shares will be available for allocation on a proportionate basis to Mutual Funds; and                                                                                                                                                                                                                                                                                                  | Proportionate                                                                                        | Allotment shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. | Proportionate <sup>6</sup>                                                                                  |

| Particulars       | QIBs <sup>1</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                        | Non-Institutional Investors                                                                                                                                        | Retail Individual Investors                                                                                     | Eligible Employee <sup>5</sup>                                                                                                                             |
|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                   | <p>(b) [●] Equity Shares will be available for allocation on a proportionate basis to all other QIBs including Mutual Funds receiving allocation as per (a) above.</p> <p>Our Company in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only.</p> |                                                                                                                                                                    | For more information, please see “Issue Procedure” on page 270.                                                 |                                                                                                                                                            |
| Mode of Bidding   | Through ASBA process only (except Anchor Investors)                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                    |                                                                                                                 |                                                                                                                                                            |
| Minimum Bid       | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter                                                                                                                                                                                                                                                                                                 | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter           | [●] Equity Shares and in multiples of [●] Equity Shares thereafter.                                             | [●] Equity Shares and in multiples of [●] Equity Shares thereafter.                                                                                        |
| Maximum Bid       | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Net Issue, subject to applicable limits                                                                                                                                                                                                                                                                                                               | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Net Issue, (excluding QIB Portion) subject to applicable limits | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000 | Such number of Equity Shares (in multiples of [●] Equity Shares) for which the Bid Amount does not exceed ₹ 500,000 net of Employee Discount. <sup>3</sup> |
| Mode of Allotment | Compulsorily in dematerialised form                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                    |                                                                                                                 |                                                                                                                                                            |
| Bid Lot           | [●] Equity Shares and in multiples of [●] Equity Shares thereafter                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                    |                                                                                                                 |                                                                                                                                                            |
| Allotment Lot     | A minimum [●] Equity Shares and in multiples of one Equity Share thereafter                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                    |                                                                                                                 |                                                                                                                                                            |
| Trading Lot       | One Equity Share                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                    |                                                                                                                 |                                                                                                                                                            |

| Particulars                   | QIBs <sup>1</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Non-Institutional Investors                                                                                                                                                                                                            | Retail Individual Investors                                                                            | Eligible Employee <sup>5</sup> |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|--------------------------------|
| Who can Apply <sup>3</sup>    | Public financial institutions specified in Section 2(72) of the Companies Act, FPIs (other than individuals, corporate bodies, and family offices), scheduled commercial banks, mutual funds registered with SEBI, VCFs, Alternative Investment Funds, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹ 250 million, pension funds with a minimum corpus of ₹ 250 million, the National Investment Fund set up by the GoI, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies, as defined in the SEBI ICDR Regulations. | Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, scientific institutions, societies and trusts, family offices and FPIs who are individuals, corporate bodies and family offices. | Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares. | Eligible Employees             |
| Terms of Payment <sup>4</sup> | <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 Bidders, or by the Sponsor</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                        |                                                                                                        |                                |



| Particulars | QIBs <sup>1</sup>                                                                                                                | Non-Institutional Investors | Retail Individual Investors | Eligible Employee <sup>5</sup> |
|-------------|----------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|--------------------------------|
|             | Bank through the UPI Mechanism (for RIBs using the UPI Mechanism) at the time of the submission of the Bid cum Application Form. |                             |                             |                                |

\* Assuming full subscription in the Issue

^ Employee Discount may be offered to Eligible Employees Bidding in the Employee Reservation Portion.

<sup>1</sup> Our Company in consultation with the BRLM may 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 or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.

<sup>2</sup> Subject to valid Bids being received at or above the Issue Price. The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Issue shall be allotted on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them 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 all QIBs. Further, not more than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% 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 from them at or above the Issue Price. The Issue includes a reservation of up to [●] Equity Shares aggregating to ₹10.00 million for subscription by Eligible Employees. The Issue less Employee Reservation Portion is referred to as the Net Issue.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

<sup>3</sup> 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.

<sup>4</sup> Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Issue Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

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.

<sup>5</sup> Eligible Employees Bidding in the Employee Reservation portion can Bid up to a Bid Amount of ₹500,000, net of Employee Discount. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹200,000, net of Employee Discount. In the event of under-subscription in the Employee Reservation Portion (post the initial Allocation of up to ₹200,000 per Eligible Employee), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to an Eligible Employee not exceeding ₹500,000 (which shall be less the Employee Discount, if applicable). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation to Eligible Employees with Bid Amounts over ₹200,000 up to a maximum of ₹500,000, net of Employee Discount), shall be added to the Net Issue.

## ISSUE PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “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, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

*Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (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 bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*SEBI through the UPI Circulars has proposed to introduce an alternate payment mechanism using UPI and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Bidders through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (“UPI Phase I”), until June 30, 2019. Subsequently, for applications by Retail Individual Bidders through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and RIIs submitting their ASBA Forms through Designated Intermediaries (other than SCSBs) can only use UPI Mechanism with existing timeline of T+6 days until further notice pursuant to SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 (“UPI Phase II”). The final reduced timeline will be made effective using the UPI Mechanism for applications by Retail Individual Bidders (“UPI Phase III”), as may be prescribed by SEBI. The Issue will be made under UPI Phase II of the UPI Circular, subject to any circulars, clarification or notification issued by the SEBI from time to time.*

*Further, our Company and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus.*

*Our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

### Book Building Procedure

The Issue is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Issue shall be Allotted to QIBs on a proportionate basis, provided that our Company in consultation with the BRLM may allocate up to 60% of the QIB Category 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 them at or above the price at which allocation is made to Anchor Investors. In case of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the Net QIB Category. 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Category 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. If at least 75% of the Net Issue cannot be Allotted to QIBs, the Bid Amounts received by our Company shall be refunded. Further, not more than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% 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.

Further, up to [●] Equity Shares shall be offered for allocation and Allotment on a proportionate basis to the Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received from them at or above the Issue Price. All Bidders, shall participate in the Issue mandatorily through the ASBA process by providing details of their respective bank account in which the Bid Amount will be blocked by SCSBs.

Under-subscription, if any, in any category (including Employee Reservation Category), except the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, subject to applicable laws and receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. In the event of undersubscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000 (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000 (net of Employee Discount). A discount of up to ₹ [●] per Equity Share may be offered to Eligible Employees bidding in the Employee Reservation Portion in accordance with the SEBI ICDR Regulations. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation up to ₹ 500,000, net of Employee Discount), shall be added to the Net Issue.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

**Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN and UPI ID (for RIBs using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.**

#### **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 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 upto 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 was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB 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. Under this phase, submission of the ASBA Form without UPI by RIBs to Designated Intermediaries (other than SCSBs) for blocking of funds will be discontinued. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase. SEBI *vide* its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company 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 Bidders using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

## Bid cum Application Form

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Issue. Anchor Investors are not permitted to participate in this Issue through the ASBA process.

Copies of the ASBA Forms and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office and Corporate Office. An electronic copy of the ASBA Forms will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/ Issue Opening Date. Anchor Investor Application Forms shall be available at the offices of the BRLM at least one day prior to the Anchor Investor Bidding Date.

Bidders (other than RIBs using the UPI Mechanism and Anchor Investors) must provide bank account details and authorisation by the ASBA bank account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such detail are liable to be rejected. The Sponsor Bank shall provide details of the UPI linked bank account of the Bidders to the Registrar to the Issue for purpose of reconciliation.

RIBs using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

RIBs Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. RIBs Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

Further, such Bidders (other than Anchor Investors), including RIBs using the UPI Mechanism, shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of the relevant Designated Intermediary (except in case of electronic Bid-cum-Application Forms) and Bid cum Application Forms (except electronic Bid-cum-Application Forms) not bearing such specified stamp may be liable for rejection. RIBs using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid. Designated Intermediaries (other than SCSBs) shall not accept any ASBA Form from a RIB who is not Bidding using the UPI Mechanism.

The prescribed colour of the Bid cum Application Forms 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               | White                               |
| Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis | Blue                                |
| Anchor Investors**                                                                                                                                                  | White                               |
| Eligible Employees Bidding in the Employee Reservation Portion***                                                                                                   | Pink                                |

\* Excluding electronic Bid cum Application Forms

\*\* Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLM.

\*\*\* Bid cum Application Forms for Eligible Employees will be made available at the Registered Office and Corporate Office of the Company.

*Note: Electronic Bid cum Application Forms and the abridged prospectus will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com))*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form (except the Bid cum Application Form from RIBs using the UPI mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. For RIBs using UPI mechanism, the Stock Exchanges 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. Designated

Intermediaries (other than SCSBs) shall not accept any ASBA Form from a RIB who is not Bidding using the UPI Mechanism.

### **Electronic registration of Bids**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue.
- b) On the Bid/ Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

**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. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and applicable laws of the jurisdictions where such offers and sales are made.**

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.

### **Participation by associates and affiliates of the BRLM and the Syndicate Members, Promoter and Promoter Group and persons related to Promoters/ Promoter Group**

The Book Running Lead Manager and the Syndicate Members shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members may Bid for Equity Shares in the Issue, either in the QIB Portion 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. All categories of investors, including associates or affiliates of the Book Running Lead Manager and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the (i) Book Running Lead Manager or any associate of the Book Running Lead Manager (other than mutual funds sponsored by entities which are associate of the Book Running Lead Manager or insurance companies promoted by entities which are associate of the Book Running Lead Manager or Alternate Investment Funds (AIFs) sponsored by the entities which are associate of the Book Running Lead Manager or a foreign portfolio investor other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Manager) nor (ii) any person related to the promoter/promoter group/ shall apply under the Anchor Investors category.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoters or Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of a BRLM, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLM.

### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves 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 may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights. No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme.

### **Bids by HUFs**

Bids by Hindu Undivided Families or HUFs, 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 Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the BRLM, Syndicate Members and sub-syndicate members at select locations as specified in the Bid cum Application Form. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB or should confirm/accept the UPI Mandate Request (in case of RIBs using the UPI Mechanism) to block their Non-Resident External ("NRE") accounts 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 or should confirm/accept the UPI Mandate Request (in case of RIBs Bidding using the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rule. 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 Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour).

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 286.

### **Bids by FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post-Issue Equity Share capital 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. In terms of the FEMA 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 reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

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 is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

- (a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;
- (b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
- (c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and
- (d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- 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.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- 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. Participation of FPIs in the Issue shall be subject to the FEMA Rules.

### **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 SEBI (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 Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended (“**SEBI FVCI Regulations**”) prescribe the investment restrictions on FVCIs.

The 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. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations) whose shares are proposed to be listed. Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

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 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 reserves 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 reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (“**Banking Regulation Act**”), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 (the “**Financial Services Directions**”), is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, 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 bank’s 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 the RBI. A banking company would require a prior approval of the RBI to *inter alia* make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed under 5(b)(i) of the Financial Services Directions), and (ii) investment in a non-financial 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 Financial Services Directions. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company’s paid-up share capital and reserves.

### **Bids by SCSBs**



SCSBs participating in the Issue are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by the 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 NBFC-SI**

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SIs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, the Company and reserve the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (“**IRDA Investment Regulations**”), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

### **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 its absolute discretion, reserves 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, 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, 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 reserves 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 members of Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that 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 the Red Herring Prospectus and Prospectus.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Issue.

### **Bids by Eligible Employees under the Employee Reservation Portion**

Bids under the Employee Reservation Portion by Eligible Employees shall be:

- b. Made only in the prescribed Bid cum Application Form or Revision Form (i.e. Pink colour form)
- c. The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares. Such Bidders must ensure that the Bid Amount does not exceed ₹500,000, net of Employee Discount. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of upto ₹200,000, net of Employee Discount. In the event of under-subscription in the Employee Reservation Portion (post the initial Allocation of up to ₹200,000, net of Employee Discount per Eligible Employee), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount).
- d. The Bidder should be an Eligible Employee as defined above. In case of joint bids, the first Bidder shall be an Eligible Employee.
- e. Only Eligible Employees would be eligible to apply in this Issue under the Employee Reservation Portion.
- f. Only those Bids, which are received at or above the Issue Price, would be considered for allocation under this category.
- g. Eligible Employees can apply at Cut-off Price.
- h. Bid by Eligible Employees can be made also in the “Net Issue to the Public” and such Bids shall not be treated as multiple Bids.
- i. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- j. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue.

In case of under-subscription in the Net Issue, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion subject to the Net Issue constituting 10% of the post-Issue share capital of our Company. If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis.

### **Information for Bidders**

The relevant Designated Intermediary will enter each Bid option into the electronic Bidding system as a separate Bid and generate an acknowledgement slip (Acknowledgement Slip), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three Acknowledgement Slips for each Bid cum Application Form. It is the Bidder's responsibility to obtain the Acknowledgment Slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised Acknowledgment Slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding 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 BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the 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 the Draft Red Herring Prospectus or this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

In the event of an upward revision in the Price Band, RIBs who had Bid at Cut-off Price could either (i) revise their Bid, or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total

amount i.e. original Bid Amount plus additional payment does not exceed ₹ 200,000, if the Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted to the same Designated Intermediary to whom the original Bid was submitted. If the total amount (i.e. the original Bid Amount plus additional payment) exceeds ₹ 200,000 with respect to RIBs, the Bid will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Bidder, as the case may be, does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.

In the event of a downward revision in the Price Band, Retail Individual Bidders who have bid at Cut-off Price may revise their Bid; otherwise, the excess amount paid at the time of Bidding would be unblocked after Allotment is finalised.

Any revision of the Bid shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Bid.

### **Pre- Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company will, after filing of the Red Herring Prospectus with the RoC, publish a pre- Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of the Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and the Mumbai edition of Navshakti (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located). 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 under the SEBI ICDR Regulations.

### **Signing of Underwriting Agreement and filing of Prospectus with the RoC**

Our Company will enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Issue Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC, in accordance with applicable law. The Prospectus will contain details of the Issue Price, Anchor Investor Issue Price, Issue size and underwriting arrangements and will be complete in all material respects.

### **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. Retail Individual Bidders can revise their Bid(s) during the Bid/ Issue Period and withdraw their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

#### **Do's:**

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form;
4. 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;
5. Ensure that your Bid cum Application Form bearing the stamp of the relevant Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;
6. 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;

7. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) and PAN in the Bid cum Application Form;
8. RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form;
9. RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue;
10. RIBs not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;
11. RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
12. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
13. 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;
14. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
15. Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
16. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
17. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;
18. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) 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. 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 beneficiary 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;
19. Ensure that Anchor Investors submit their Anchor Investor Application Form only to the BRLMs;
20. Ensure that the Demographic Details are updated, true and correct in all respects;
21. 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;
22. Ensure that the correct investor category and the investor status is indicated in the Bid cum Application Form;

23. 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 or Board Resolutions, are submitted;
24. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
25. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;
26. Ensure that where the Bid cum Application Form is submitted in joint names, the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
27. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors) is submitted to a Designated Intermediary in a Bidding Centre and in case of Bidding through a Designated Intermediary (other than for Anchor Investors and RIBs ) 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;
28. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form or have otherwise provided an authorisation to the SCSB or 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;
29. For RIBs using the UPI Mechanism, ensure that you approve the 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;
30. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
31. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
32. RIBs using the UPI Mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Bid cum Application Form;
33. RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and
34. 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.

**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 or the Anchor Investor Application Form, as the case maybe, after you have submitted a Bid to a Designated Intermediary;
4. RIB should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
6. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Anchor Investors should not Bid through the ASBA process;
9. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company or at a location other than the Bidding Centres. Provided that RIBs not using the UPI Mechanism should not submit Bid cum Application Forms with Designated Intermediaries (other than SCSBs);
10. Do not Bid on a physical ASBA Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not Bid at Cut-off Price in case of Bids by QIBs and Non-Institutional Bidders;
12. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders) and ₹500,000 for Bids by Eligible Employees under the Employee Reservation Portion.
13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the 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 this Red Herring Prospectus;
14. If you are a Non-Institutional Bidder or a Retail Individual Bidder, do not submit your Bid after 3.00 pm on the Bid/ Issue Closing Date;
15. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/ Issue Closing Date;
16. Do not Bid for a Bid Amount exceeding ₹200,000 for Bids by Retail Individual Bidders;
17. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
18. Do not submit the General Index Register (GIR) number instead of the PAN;
19. Do not submit incorrect UPI ID details if you are a RIB Bidding through the UPI Mechanism;
20. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
21. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;
22. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs using the UPI Mechanism;

23. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations;
24. 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 Bidder. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/ Issue Closing Date;
25. 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;
26. 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;
27. 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 RIB Bidders using the UPI Mechanism;
28. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
29. 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);
30. Do not submit a Bid using UPI ID, if you are not a RIB.
31. Do not submit a Bid cum Application Form using a third party bank account or using third party linked bank account UPI ID (in case of in case of Bids submitted by RIBs using the UPI Mechanism); and
32. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if any of the above instructions or any other condition mentioned in this Red Herring Prospectus, as applicable, is not complied with.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

In case of any pre-Issue or post Issue related issues regarding demat credit/refund orders/unblocking etc, investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar to the Issue. For details of the Company Secretary and Compliance Officer and the Registrar to the Issue, see “*General Information*” on page 53.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Designated Stock Exchange, along with the Book Running Lead Manager and the Registrar to the Issue, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any Allotment in excess of the Equity Shares through the Issue Document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent. of the Issue may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis.

The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

### **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 ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months 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 ₹ 1 million 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 ₹ 5 million or with both.

### **Payment into Escrow Account**

Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

- (i) In case of resident Anchor Investors: “NURECA LTD – IPO – ANCHOR INVESTOR - R”
- (ii) In case of non-resident Anchor Investors: “NURECA LTD – IPO – ANCHOR INVESTOR - NR”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company the Syndicate, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from Anchor Investors.

### **Depository Arrangements**

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite agreement dated August 13, 2020, between our Company, NSDL and the Registrar to the Issue.
- Tripartite agreement dated August 11, 2020, between our Company, CDSL and the Registrar to the Issue.

### **Undertakings by our Company**



**Our Company undertakes the following:**

- i. that 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 law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law 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 six Working Days of the Bid/ Issue Closing Date or such other time as may be prescribed;
- iv. that funds required for making refunds 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 applicant within the time prescribed under applicable law, 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 two days 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 offer document with the SEBI, in the event our Company subsequently decides to proceed with the Issue thereafter;
- viii. 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
- ix. that no further issue of Equity Shares shall be made until the Equity Shares offered through this 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.

**Utilisation of Issue Proceeds**

Our Company specifically confirm and declare that

1. all monies received from the Issue shall be transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilised out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Bank indicating the purpose for which such monies have been utilised; and
3. details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FDI Policy and FEMA. The government bodies responsible for granting foreign investment approvals are the concerned ministries/departments of the Government of India and the RBI, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as Department of Industrial Policy and Promotion) (“**DPIIT**”).

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular and shall be subject to FEMA Rules.

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 SEBI and RBI.

The foreign investment in our Company is governed by inter alia the FEMA, as amended, the FEMA Rules, the FDI Policy issued and amended by way of press notes

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The aggregate limit for FPI investments shall be the sectoral cap applicable to our Company. 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 five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% 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.

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 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. Capitalised 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.*

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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|              | <b>Share Capital and Variation of Rights</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 1.           | Subject to the provisions of the Act and these Articles, the Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in the Memorandum of Association and the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and 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 thinks fit, and may issue and allot Shares in the Capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in 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 issue Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. The Board shall behave the power to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital with and subject to any preferential, qualified or special rights, privileges, or conditions may be, thought fit and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division. |
| 2.           | The provisions of Section 43, 47 of the Act in so far as the same may be applicable to issue of share capital shall be observed by the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 3.           | The Directors shall have regard to the restrictions on the allotment of shares imposed by Section 39 and 40 of the Act so far as those restrictions are binding on the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 4.           | The Company shall have power to issue Securities at a premium and shall duly comply with the provision of Sections 52 of the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 5.           | The shares or other interest of any member in the Company shall be movable property transferable in the manner provided by the Articles of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 6.           | If and whenever as the result of issue of new shares or any consolidation or subdivision of shares, any shares become held by members in fractions the Directors shall subject to the provisions of the Act and the Articles and to the directions of the Company in general meeting, if any, sell those shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorise any person to transfer the shares sold to the purchaser thereof comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be effected by any irregularity or invalidity in the proceedings in reference to the sale.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 7.           | If, by the conditions of allotment of any shares the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall when, due, be paid to the Company by the person who for the time being and from time to time shall be of the shares or his legal representative.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 8.           | Save as herein or by laws otherwise expressly provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by statute required, be bound to recognize any benami trusts whatsoever or equitable, contingent, future, partial or other claim to or interest in such share on the part of any other person whether or not it shall have expressor implied notice thereof; the Directors shall, however be at liberty, at their sole discretion, to register any share in the joint names of any two or more persons, and the survivor or survivors of them.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 9.           | i. Every person whose name is entered as a member in the register of members shall be                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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|              | <p>entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,</p> <p>(a) One certificate for all his shares without payment of any charges; or</p> <p>(b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.</p> <p>ii. Every certificate shall have its distinctive number and shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary;</p> <p>Provided that in case the company has a common seal, it shall be affixed in the presence of the persons required to sign the certificate.</p> <p>iii. The share certificates shall be in such form as the Board shall prescribe or approve provided that in respect of share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and the delivery of a certificate for a share or shares to one of several joint-holders shall be deemed to be sufficient delivery to all.</p> <p>iv. A certificate of shares registered in the names of two or more persons, unless otherwise directed by them in writing, may be delivered to any one of them on behalf of them all.</p> <p>v. A Director may sign a share certificate by affixing signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other materials used for the purpose.</p> <p>vi. 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.</p> <p>vii. An application signed by or on behalf of an applicant for shares in the Company followed by an allotment of shares therein, shall be an acceptance of shares within the meaning of these Articles; The Directors shall comply with the provisions of Sections 39 and 40 of the Act so far as applicable.</p> |
| 10.          | <p>i. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, the Board may order the same to be cancelled and a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of a sum not exceeding Rs. 50/- for each certificate or as the Board may fix from time to time, provided that no fee shall be charged for issue of new certificate in replacement of those which are old, worn, decrepit out or where the pages on the reverse for recording transfers have been fully utilised.</p> <p>ii. The provisions of Articles (9) and (10) shall mutatis mutandis apply to debentures of the company.</p> <p>iii. No fee shall be charged for sub-division and consolidation of share / debenture certificates and for sub-division of letters of allotment, split and consolidation.</p> <p>iv. The shares in the capital shall be numbered progressively according to their several classes.</p> <p>v. The Board may waive payment of any fee generally or in any particular case.</p> <p>vi. Every endorsement upon the certificate of any share in favour of any transferee thereof shall be signed by such person for the time being authorised by the Board in that behalf.</p> <p>vii. The Board shall comply with requirements prescribed by any Rules made pursuant to the said Act; relating to the issue and execution of share certificates.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 11.          | <p>Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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|              | as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 12.          | <p>i. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.</p> <p>ii. The Company may at any time pay a commission to any person in consideration of his subscribing, or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company or procuring or agreeing to procure subscription (whether absolute or conditional) for any shares in or debentures of the Company.</p> <p>iii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.</p> <p>iv. Company shall not pay any commission to any underwriter on securities which are not offered to public for subscription.</p> <p>v. The number of shares or debentures which persons have agreed to for commission to subscribe absolutely or conditionally is disclosed in the manner aforesaid.</p> <p>vi. Nothing in this clause shall affect the power of the Company to pay such brokerage as it may consider reasonable.</p> <p>vii. A Vendor to, promoter of, other person who receives payment in shares, debentures or money from the Company shall have and shall be deemed always to have had power to apply any part of the shares, debentures or money so received in payment of any commission the payment of which, if made directly by the Company, would have been legal under this Articles.</p> <p>viii. The commission may be paid or satisfied (subject to the provisions of the Act and these Articles) in cash or in share, debentures or debenture stock of the Company, (whether fully paid or otherwise) or in any combination thereof.</p> |
| 13.          | <p>i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48, and whether or not the company is being wound up, be varied with the consent in Writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a separate meeting of the holders of the shares of that class.</p> <p>ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one third of the issued shares of the class in question.</p> <p>iii. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.</p> <p>iv. This Article is not to derogate from any power the Company would have if this Article were omitted and in particular the powers under Chapter XV of the said Act or Chapter V of the Companies Act, 1956, whichever is in force for the time being. The dissentient members shall have the right to apply to Tribunal in accordance with the provisions of Section 48 of the Act.</p>                                                                                                                                                                                                                                                                                                                                               |
| 14.          | <p>Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed in any manner provided in the said section. Where the Company has issued redeemable preference shares the provisions of the said section shall be complied with. The manner in which such shares shall be redeemed, shall be as provided hereunder, unless the terms of issue otherwise provide:</p> <p>i. No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption.</p> <p>ii. No such shares shall be redeemed unless are fully paid before the shares are redeemed.</p> <p>iii. Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue there shall, out of profits which would otherwise have been available for dividend be transferred to the Capital Redemption Reserve Account, a sum equal to the nominal</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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|              | amount of the share redeemed.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 15.          | <p data-bbox="376 259 687 282">Further issue of share capital</p> <p data-bbox="424 288 1390 376">(A) Where at any time, the Company proposes to increase its subscribed capital by issue of further shares, either out of the unissued capital or the increased share capital, such shares shall be offered.</p> <p data-bbox="520 383 1390 499">a) to persons who, at the date of offer, are holders of Equity Shares of the Company, in proportion as near as circumstances admit, to the share capital paid up on those shares by sending a letter of offer on the following conditions:</p> <p data-bbox="616 506 1390 622">i. the aforesaid offer shall be made by a notice specifying the number of shares offered and limiting a time prescribed under the Act from the date of the offer within which the offer, if not accepted, will be deemed to have been declined</p> <p data-bbox="616 629 1390 775">ii. the aforementioned offer 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 mentioned in sub-Article (i), above shall contain a statement of this right; and</p> <p data-bbox="608 781 1390 927">iii. after the expiry of the time specified in the aforesaid notice 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; or</p> <p data-bbox="520 934 1390 1021">b) to employees under any scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the conditions as specified under the Act and Rules thereunder; or</p> <p data-bbox="520 1028 1390 1173">c) to any persons, if it is authorized by a special resolution passed by the Company in a General Meeting, whether or not those persons include the persons referred to in clause (a) or clause (b) above, either for cash or for consideration other than cash, subject to applicable provisions of the Act and Rules thereunder.</p> <p data-bbox="520 1180 1390 1357">The notice referred to in sub-clause (i) of sub-Article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Members at least 3 (three) days before the opening of the issue. The provisions contained in this Article shall be subject to the provisions of the section 42 and section 62 of the Act, the rules thereunder and other applicable provisions of the Act.</p> <p data-bbox="424 1364 1390 1451">(B) The Employee Stock Options will be issued from time to time in accordance with, and subject to the terms and conditions of, the AWHCPL Employee Stock Option Plan 2018, subject to the approval of the Board and shareholders.</p> <p data-bbox="424 1458 1390 1574">(C) Nothing in this Article 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 loans raised by the Company to convert such debenture or loans into shares in the Company.</p> <p data-bbox="472 1581 1390 1668">Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debenture or the raising of loan by a special resolution passed by the Company in general meeting.</p> <p data-bbox="424 1675 1390 1762">(D) 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.</p> |
| <b>LIEN</b>  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 16.          | <p data-bbox="384 1794 1390 1971">i. The Company shall have a first and paramount lien upon all the shares not being fully paid-up shares, registered in the name of each member (whether solely or jointly with another or others) and upon the proceeds of sale thereof, for all moneys from time to time due or payable by him to the Company for calls made and all amounts or instalments payable in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition that Article 8 hereof is to have full effect.</p> <p data-bbox="384 1977 1390 2031">ii. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

| Articles No.         | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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|                      | shall operate as a waiver of the Company's lien, if any, on such shares.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                      | iii. The Board may at any time declare any shares to be exempt, wholly or partially from the provisions of this Article.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 17.                  | <p>For the purpose of enforcement of such lien, the company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien and transfer the same to the name of the purchaser, without any consent and notwithstanding any opposition on the part of the indebted member or any other person or persons interested therein and a complete title to the shares which shall be sold and transferred shall be acquired by the purchaser, by virtue of such sale and transfer, against such indebted member and all persons claiming with or under him whether he may be indebted to the Company in point of fact or not</p> <p>Provided that no sale shall be made</p> <p>(a) unless a sum in respect of which the lien exists is presently payable; or</p> <p>(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.</p> |
| 18.                  | <p>i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</p> <p>ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> <p>iii. The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.</p> <p>iv. 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.</p>                                                                                                                                                                                                                                                                                                           |
| 19.                  | <p>i. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.</p> <p>ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 20.                  | Upon any sale after forfeiture or upon any sale for enforcing a lien, in purported exercise of the powers hereinbefore given, the Directors may appoint some person or persons to execute an instrument of transfer of the shares sold.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 21.                  | Upon any such sale after forfeiture or for enforcing a lien in purported exercise of powers the Board shall cause the purchaser's name to be entered in the Register in respect of the shares sold and shall issue to the purchaser a certificate in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 22.                  | The provisions of these Articles relating to Lien shall mutatis mutandis apply to any other securities including debentures of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>JOINT HOLDERS</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 23.                  | Where two or more persons are registered as the holders of any Securities they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in these Articles.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 24.                  | The Company shall be entitled to decline to register more than three persons as the joint holders of any Securities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 25.                  | Any one of such joint holders may give effectual receipts for any dividends or other moneys payable in respect of such Security.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 26.                  | <p>Subject to the provisions of Section 49 of the Act:</p> <p>i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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|              | <ul style="list-style-type: none"> <li>ii. At least fourteen days' notice of every call made payable otherwise than on allotment shall be given by the Company in the manner hereinafter provided for the giving of notices specifying the time and place of payment, and the person to whom such call shall be paid.</li> <li>iii. 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.</li> <li>iv. A call may be revoked or postponed at the discretion of the Board.</li> <li>v. Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares, falling under the same class. Explanation: -For the purpose of this provision shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.</li> </ul>                                                                                                                                                                   |
| 27.          | A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 28.          | The joint holders of a share shall be jointly and severally liable to pay all deposits, instalments, and calls due in respect of such shares, and for all incidents thereof according to the Company's regulations; but the persons first named in the Register shall, as regards service of notice, and all other matters connected with the Company, except the transfer of the share and any other matter by the said Act or herein otherwise provided, be deemed the sole holder thereof.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 29.          | <ul style="list-style-type: none"> <li>i. If the sum payable in respect of any call or such other amount or instalments be not paid on or before the day appointed for payment thereof or any extension thereof as aforesaid, the holder for the time being of the share, in respect of which the call shall have been made, or such amount or instalment shall be due, shall pay interest for the same, from the day appointed for the payment thereof to the time of actual payment at such rate not exceeding ten per cent per annum, as shall from time to time be fixed by the Board. Nothing in this Article shall however, be deemed to make it compulsory on the Board to demand or recover any such interest.</li> <li>ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.</li> <li>iii. The Board may, from time to time at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who, the Board may deem fairly entitled to such extension; but no member shall be entitled to any such extension, except as a matter of grace and favour.</li> </ul> |
| 30.          | <ul style="list-style-type: none"> <li>i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.</li> <li>ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 31.          | <p>The Board-</p> <ul style="list-style-type: none"> <li>(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; but this advance of calls may carry interest but shall not in respect thereof have a right to dividend or to participate in profit;</li> <li>(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.</li> <li>(c) shall cause to be made the returns as to all allotments from time to time made in accordance with the provisions of Section 39 of the said Act.</li> </ul>                                                                                                                                                                                                                                                                                      |
| 32.          | Every member, or his executors or administrators or other representative, shall pay to the Company the portion of the capital represented by his share or shares, which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner, as the Directors shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 33.          | If by the terms of issue of any share or otherwise any amount is payable at any fixed time or by instalments at fixed times, whether on account of the share or by way of premium, every such amount or instalments shall be payable as if it were a call duly made by the Board and of which due notice had been given, and all the provisions herein contained in respect of                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |



| Articles No.                               | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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|                                            | calls shall relate to such amount or instalments accordingly.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 34.                                        | Any money due from the Company to a member may, without the consent and notwithstanding the objection of such member, be applied by the Company in or towards the payment of any money due from him to the Company for calls or otherwise.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 35.                                        | On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives to recover any moneys claimed to be due to the Company for any call or other sum in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, or one of the holders, at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which such money is sought to be recovered, and that the amount claimed is not entered as paid in the books of the Company or the Register of Members and that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the member or his legal representatives sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call, not that a quorum of Directors was present at the meeting of the Board at which such call was made, nor that the meeting at which such call was made duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debts, and the same shall be recovered by the Company against the member or his representatives from whom the same is sought to be recovered unless it shall be proved, on behalf of such member or his representatives against the Company that the name of such member was improperly inserted in the register, or that the money sought to be recovered has actually been paid.               |
| 36.                                        | The Board may, if they think fit, subject to the provisions of Section 50 of the Act receive from any member willing to advance the same, either in money or money's worth the whole or any part of the amount remaining unpaid on the shares held by him beyond the sum actually called up and upon the moneys so paid or satisfied in advance, or so much thereof, as from time to time and at any time thereafter exceeds the amount of the calls then made upon and due respect of the shares on account of which such advances have been made, the Company may pay or allow interest at such rate as the member paying such advance and the Board agree upon; provided always that if at any time after the payment of any such money the rate of interest so agreed to be paid to any such member appears to the Board to be excessive, it shall be lawful for the Board from time to time to repay to such member so much of money as shall then exceed the amount of the calls made upon such shares, unless there be an express agreement to the contrary; and after such repayment such member shall be liable to pay, and such advance had been made, provided also that if at any time after the payment of any money so paid in advance, the Company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the member to the Company for instalments or calls, or any other manner, the member making such advance shall be entitled (as between himself and the other members) to receive back from the Company the full balance of such moneys rightly due to him by the Company in priority to any payment to members on account of capital. |
| 37.                                        | The member making such advance shall not, however, be entitled to any voting rights in respect of the moneys so advanced by him until the same would, but for such payment, become presently payable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>TRANSFER AND TRANSMISSION OF SHARES</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 38.                                        | The Company shall keep a book called the 'Register of Transfers' and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share in the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 39.                                        | No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. Every instrument of transfer (which shall be in the form specified in the Rules) shall be duly stamped, dated and shall be executed by or on behalf of the transferor and the transferee and in the case of a share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint-holders or by all such joint transferees, as the case may be, several executors or administrators of a deceased member proposing to transfer the shares registered in the name of such deceased member shall all sign the instrument of transfer in respect of the share as if they were the joint-holders of the share. The instrument of transfer shall specify the name, address and occupation, if any, of the transferee.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 40.                                        | i. The common form of transfer shall be used and the instrument of transfer of any                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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|              | share in the company shall be in writing and shall be duly executed by or on behalf of both the transferor and transferee.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|              | ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 41.          | The Board may, subject to the right of appeal conferred by section 58 decline to register –<br>(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or<br>(b) any transfer of shares on which the company has a lien.<br>(c) the Company shall comply with provisions of Section 22-A of Securities Contracts (Regulation) Act, 1956, as regard to free transferability and registration of transfer of shares/debentures.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 42.          | The Board may decline to recognise any instrument of transfer unless –<br>(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;<br>(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and<br>(c) the instrument of transfer is in respect of only one class of shares.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 43.          | It shall not be lawful for the Company to register a transfer of any shares unless the proper instrument of transfer duly stamped, dated and executed by or on behalf of the Transferor and by or on behalf of the Transferee and specifying the name and address and occupation of the Transferee has been delivered to the Company along with the scrip and if no such scrip is in existence, along with the letter of allotment of the shares. Where the proper instrument of transfer is not received by the Company within a period of two months from the date on which the instrument is dated, the Directors may at their sole discretion be entitled to seek such documentation including indemnities as it may deem fit, from both the transferor and transferee, or from the person who has lodged the same for transfer, and the Board may at its sole discretion be entitled to give effect to the transfer on receipt of such documentation and indemnities (save where an order of a competent court is produced, the Board shall then give effect to the transfer). |
| 44.          | The Board shall not refuse to register transfer of any share on the ground of the transfer or being either alone or jointly with any other person or persons indebted to the Company on any account, whatsoever except a lien on the shares.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 45.          | On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:<br>Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 46.          | The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 47.          | Nothing in clause shall prejudice any power of the Company to register as shareholder any person to whom the right to any share has been transmitted by operation of law.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 48.          | Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 49.          | i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares but the Board may require such evidence of 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 on shares held by him jointly with any other person.<br>ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.                                                                                                                                                                                                                                                                                                                                                                    |
| 50.          | Where there is no, nominee, the executors or administrators of a deceased member not being one of several joint-holders shall be the only persons recognised by the Company as having any title to the shares registered in the name of such deceased member, and the Company shall not be bound to recognise such executors or administrators, unless they shall have first obtained probate or letters of administration or other legal representation, as the case may be, provided nevertheless, the Directors, in any case where they in their absolute discretion think fit, may dispense with the production of Probate or Letters of Administration or such other legal                                                                                                                                                                                                                                                                                                                                                                                                     |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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|              | representation, upon such terms as to indemnity or otherwise as they may deem fit and under the next Article, register the name of any person who claims to be absolutely entitled to the shares standing in the name of the deceased member as a member in respect of such shares.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 51.          | Subject to the provisions of the last preceding Article, any person to whom the right to any share has been transmitted in consequence of the death or insolvency of any member or otherwise by operation of law may, with the consent of the Board (which they shall not be under any obligation to give) and upon his producing such evidence that he sustains the character in respect of which he proposes to act under the Article and of his title as the Directors think sufficient be registered as a member in respect of such shares. This clause is hereinafter referred to as the 'transmission clause'. A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of effecting the transmission. |
| 52.          | Every transmission of a share shall be verified in such a manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient: provided nevertheless, that there shall not be any obligation on the Company or the Directors to accept any indemnity, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.                                                                                                                                                                                                         |
| 53.          | <ul style="list-style-type: none"> <li>i. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either – <ul style="list-style-type: none"> <li>(a) to be registered himself as holder of the share; or</li> <li>(b) to make such transfer of the share as the deceased or insolvent member could have made.</li> </ul> </li> <li>ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</li> </ul>                                                                                                                                             |
| 54.          | <ul style="list-style-type: none"> <li>i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in Writing signed by him stating that he so elects.</li> <li>ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</li> <li>iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.</li> </ul>                                                                                                                         |
| 55.          | 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 to vote at the meetings of the Company and 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.                        |
| 56.          | The Board may, at its absolute and uncontrolled discretion and without assigning or being under any obligation to give any reason, decline to register or acknowledge any transfer or transmission of shares and in particular, may so decline in any case in which the Company has a lien upon the shares or any of them or in the case of shares not fully paid-up whilst any moneys called or payable at a fixed time in respect of the shares desired to be transferred or any of them remain unpaid or unless the transferee is approved by the Board. Nothing in Section 56 of the Act shall prejudice this power to refuse 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.                                                                                                     |
| 57.          | The registration of a transfer shall be conclusive evidence of the approval by the Board of the                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

| Articles No.                           | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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|                                        | transferee, but so far only as regards the share or shares in respect of which the transfer is so registered and not further or otherwise and not so as to debar the Board to refuse registration of any further shares applied for. If the Board refuses to register the transfer or transmission of any shares notice of the refusal shall within two months from the date on which the instrument of transfer on intimation of transmission was delivered to the Company be sent to the Transferee and the Transferor or to the person giving intimation of the transmission, as the case may be.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 58.                                    | The Directors shall have power on giving seven days' notice by advertisement as required by Section 91 of the Act to close the Transfer Book and Register of Members of such period or periods of time in every year as to them may seem expedient, but not exceeding 45 days in any year and not exceeding 30 days at any one time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 59.                                    | The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made, by an apparent legal owner thereof (as shown or appearing in the Register of Members), to the prejudice of any person or persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right title or interest or prohibiting registration of such transfer and may have entered such notice or referred thereto in any book of the Company; and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 60.                                    | The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 61.                                    | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>DEMATERIALISATION OF SECURITIES</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 62.                                    | <p>A.</p> <ol style="list-style-type: none"> <li>i. Notwithstanding anything to the contrary contained in these Articles the company shall be entitle to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996 or any other extant law governing the operations of depositories ('Depository Law').</li> <li>ii. When any, securities of the Company are held or dealt in dematerialized form.</li> </ol> <p>B.</p> <ol style="list-style-type: none"> <li>i. The company shall make available to the depository, copies of the relevant records In respect of securities held by such depository for the beneficial owner thereof</li> <li>ii. When a holder or an allottee of the securities opts to hold the same with a depository, the company shall intimate such depository, the details of his holding or allotment of securities and thereupon the depository shall enter in its record the names of the holder/allottees as the beneficial owners of such securities.</li> </ol> <p>C. The register and index of Beneficial Owners of the securities maintained by a Depository under Section 11 of Depositories Act, shall be deemed to be the Register and index of Members or of holders of Debenture or other securities of the company.</p> <p>D.</p> <ol style="list-style-type: none"> <li>i. Transfer of securities held in a depository will be governed by a provision of Depositories Law.</li> <li>ii. Every depository shall furnish to the company information about the transfer of securities, the name of beneficial owners at such intervals and in such manner as may be specified under provisions of Depositories Law.</li> <li>iii. Section 56 of the Act shall not apply to transfer of securities effected by the transferor and the transferee both of whom are entered as a beneficial owners in the record of a depository.</li> </ol> <p>E.</p> <ol style="list-style-type: none"> <li>i. A depository shall be deemed to be the registered owner for the purpose of effecting the transfer of ownership of securities on behalf of the beneficial owner and shall not have any voting rights or any other rights or any other rights in respect of the securities held by it.</li> </ol> |

| Articles No.                | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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|                             | <p>ii. Even person holding securities of the company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.</p> <p>F. Nothing contained in the Act or these Articles regarding the necessity of having number for securities issued by the company shall apply to securities.</p> <p>G. Notwithstanding anything contained in these Articles or the Act, the provisions of Depositories Law, relating to dematerialization of securities (including any modification or re-enactment thereof and rules/Regulation made thereunder) shall prevail and apply accordingly.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>FORFEITURE OF SHARES</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 63.                         | If a member fails to pay any money due from him in respect of any call made or amount or installment as provided in Article 35 on or before the day appointed for payment of the same, or any such extension thereof as aforesaid or any interest due on such call or amount or installment or any expenses that may have been incurred thereon, the Directors or any person authorised by them for the purpose may, at any time thereafter, during such time as such money remains unpaid, or a judgement or a decree in respect thereof remains unsatisfied in whole or in part, serve a notice in the manner hereinafter provided for the serving of notices on such member or any of his legal representatives or any of the persons entitled to the share by transmission, requiring payment of the money payable in respect of such share, together with such interest and all expenses (legal or otherwise) incurred by the Company by reason of such non-payment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 64.                         | <p>The notice aforesaid shall-</p> <p>(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</p> <p>(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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 65.                         | 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 and bonuses declared in respect of the forfeited shares and not actually paid before the forfeiture.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 66.                         | <p>i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit or as per the provisions of extant law as applicable to company.</p> <p>ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 67.                         | <p>i. When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture or to any of his legal representatives, or to any of the persons entitled to the share by transmission and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members. The provisions of this Article are, however, directory only and no forfeiture shall in any manner be invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.</p> <p>ii. 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 and shall forthwith pay to the Company all calls, amounts, installments, interest expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon, from the time of the forfeiture until payment, at the rates, not exceeding ten percent per annum as the Board may determine, in the same manner in all respects as if the shares had not been forfeited, without any deduction or allowance for the value of the shares at the time to the forfeiture and the Board may enforce the payment thereof if they think fit (but without being under any obligation so to do) without entitling such member or his representative to any remission of such forfeiture or to any compensation for the same, unless the Directors shall think fit to make such compensation, which they shall have full power to do, in such manner and on such terms on behalf of the Company as they shall think fit.</p> |

| Articles No.                 | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|                              | <ul style="list-style-type: none"> <li>iii. 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.</li> <li>iv. Any share so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot or otherwise dispose of the same, either to the original holder thereof or to any other persons, and either by public auction or by private sale and upon such terms and in such manner as the Directors shall think fit.</li> <li>v. In the meantime, and until any share so forfeited shall be sold, re-allotted or otherwise dealt with as aforesaid, the forfeiture thereof may at the discretion and by a resolution of the Board, be remitted or annulled as a matter of grace and favour but not as of right, upon such terms and conditions as they think fit.</li> <li>vi. The forfeiture of a share shall involve the extinction of all interest in and of all claims and demands against the Company of the member in respect of the share and all other right of the member incident to the share except only such of those rights as by these Article are expressly saved.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 68.                          | <ul style="list-style-type: none"> <li>i. A duly verified declaration in Writing that the declarant is a director, the manager or the secretary, of the company, that the call, amount or installment in respect of a share was made or was due or the interest in respect of a call, amount or installment was or the expenses were payable, as the case may be, the notice thereof as aforesaid was given and default in payment was made and that the forfeiture of the share was made by a resolution of the Board to the effect, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to or interested in such share;</li> <li>ii. The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold, re-allotted or disposed of, and such person may be registered as the holder of the share and shall not be bound to see to the application of the consideration, 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 other disposal of the share;</li> <li>iii. The transferee shall thereupon be registered as the holder of the share; and</li> <li>iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.</li> </ul> |
| 69.                          | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 70.                          | Neither a judgement nor a decree in favour of the Company for calls of other moneys due in respect of any shares nor any part-payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his 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 hereinabove provided.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 71.                          | The Directors may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering those on such terms as they think fit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>ALTERATION OF CAPITAL</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 72.                          | The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 73.                          | <p>Subject to the provisions of section 61, the company may, by ordinary resolution,—</p> <ul style="list-style-type: none"> <li>(a) increase its share capital by such amount as it thinks expedient by issuing new shares;</li> <li>(b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</li> <li>(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;</li> <li>(d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;</li> <li>(e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| 74.          | <p>Where shares are converted into stock,</p> <p>(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit</p> <p>Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.</p> <p>(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p> <p>(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.</p> <p>(d) Notice of such conversion of shares into stock or reconversion of stock into shares shall be filed with the Registrar of Companies as provided in the said Act.</p> |
| 75.          | <p>The stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and for other purposes, as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted but no such privileges or advantages, except the participation in profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such aliquot part of, consolidated stock as would not, if existing in shares, have conferred such privileges or advantages.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 76.          | <p>The company may, by Special Resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:</p> <p>(a) Its share capital;</p> <p>(b) Any capital redemption reserve account; or</p> <p>(c) Any securities premium account.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 77.          | <p>Whenever any shares are to be offered to the members the Directors may dispose of any such shares which, by reason of the proportion borne by them to the number of persons entitled to such offer or by reason of any other difficulty in apportioning the same cannot in the opinion of the Directors be conveniently offered to the members.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 78.          | <p>The right to issue further shares shall include a right to the Company, to issue any instrument, including Global Depositary Receipt.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 79.          | <p>The Directors shall, whenever there is a change in the share capital, file with the Registrar of Companies notice of the increase of the capital as provided by Section 64 of the said Act within thirty days after the passing of the resolution authorising the increase.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 80.          | <p>The Directors may from time to time without any sanction of the Company, whenever all the shares in the issued capital shall not have been subscribed and whether all the shares for the time being subscribed shall have been fully called up or not, issue further shares of such value as they may think fit out of the unsubscribed balance of the issued capital. Such further shares shall be issued upon such terms and conditions (and if preference shares upon such conditions as to redemption) and with such rights and privileges annexed thereto as the Board shall direct and in particular, such shares may be issued with a preferential or qualified right to dividend and in the distribution of assets of the Company and subject to the provisions of Section 47 of the said Act with a special or without any right of voting and the Board may dispose of such shares or any of them either at par or at a premium, to any members or any class thereof or in such other manner as the Board may think most beneficial to the Company.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 81.          | <p>Except as provided by the Act, the Company shall not, except by reduction of capital under the provision of Sections 66 or Section 242 of the said Act, buy its own shares nor give, whether directly or indirectly, and whether by means of a loan, guarantee, provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding company. Provided that nothing in this Article shall be taken to prohibit:</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

| Articles No.                     | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|                                  | <p>(a) the provision of money in accordance with any scheme approved by the Company through Special Resolution and in accordance with the requirements specified in the relevant Rules, for the purchase of, or subscription for, fully paid up Shares in the Company, if the purchase of, or the subscription for the Shares held by trustees for the benefit of the employees or such Shares held by the employee of the Company</p> <p>(b) the giving of loans by the Company to persons in the employment of the Company other than its Directors or Key Managerial Personnel, for an amount not exceeding their salary or wages for a period of six months with a view to enabling them to purchase or subscribe for fully paid up Shares in the Company to be held by them by way of beneficial ownership. Nothing in this clause shall affect the right of the Company to redeem any shares issued under Section 55.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>CAPITALISATION OF PROFITS</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 82.                              | <p>i. The company in general meeting may, upon the recommendation of the Board, resolve –</p> <p>(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards –</p> <p>(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;</p> <p>(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);</p> <p>(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;</p> <p>(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.</p> |
| 83.                              | <p>i. Whenever such a resolution as aforesaid shall have been passed, the Board shall –</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and</p> <p>(b) generally do all acts and things required to give effect thereto.</p> <p>ii. The Board shall have power –</p> <p>(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;</p> <p>iii. Any agreement made under such authority shall be effective and binding on such members.</p>                                                                                                                                                                                                                                                  |
| <b>BUY-BACK OF SHARES</b>        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 84.                              | Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities, whether or not there is any consequent reduction of Capital. If and to the extent permitted by Law, the Company shall also have the power to re-issue the shares so bought back                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>GENERAL MEETINGS</b>          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 85.                              | All General Meetings other than annual general meeting shall be called Extra-Ordinary General                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |



| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | Meeting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 86.          | The Company shall, in addition to any other meetings which are hereinafter referred to as "Extraordinary General Meeting", hold a General Meeting which shall be styled its Annual General Meeting at the intervals and in accordance with the provisions of the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 87.          | <p>The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified forthwith proceed duly to call an Extraordinary General Meeting of the Company:</p> <ol style="list-style-type: none"> <li>The requisition shall set-out the matters for the consideration of which the meeting is to be called shall be signed by the requisitionists and shall be sent to the Registered Office of the Company.</li> <li>The requisition may consist of several documents in like form each signed by one or more requisitionists.</li> <li>The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold both on the date of such requisition and on the date of receipt of the requisition not less than one-tenth of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter.</li> <li>If the Board does not, within twenty one days from the date of the receipt of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty five days from the date of receipt of the requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.</li> </ol> <p>Explanation:-For the purposes of this sub-clause, the Board shall in the case of a meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the meeting if they do not give such notice thereof as is required by sub-section (2) of Section 114.</p> |
| 88.          | <p>A meeting called by requisitionists-</p> <ol style="list-style-type: none"> <li>shall be called in the same manner as nearly as possible as that in which meetings are to be called by the Board, but shall not be held after the expiration of three months from the date of the deposit of the requisition.</li> <li>shall convene meeting at Registered office or in the same city or town where Registered office is situated and such meeting should be convened on working day</li> <li>Where two or more persons hold any shares or interest in a Company jointly, a requisition or a notice calling a meeting signed by one or only some of them shall for the purposes of this Section have the same force and effect as if it has been signed by all of them.</li> <li>Any reasonable expenses incurred by the requisitionists by reasons of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 89.          | <p>A General Meeting of the Company may be called by giving at least clear twenty one day's notice in writing or through electronic mode but a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than ninety five percent of the members entitled to vote at such meeting.</p> <p>Provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at meeting and not on others, those members shall be taken into account for the purposes of this clause in respect of the former resolution or resolutions and not in respect of the latter.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 90.          | <p>Notice of every general meeting of the Company shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted thereat. Such notice shall be given:</p> <ol style="list-style-type: none"> <li>to every member of the Company, legal representative of any deceased Member or the assignee of an insolvent Member;</li> <li>to the auditor or auditors of the Company;</li> <li>to every Director of the Company; and</li> <li>to every trustee for the debenture holder of any debentures issued by the Company.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 91.          | The accidental omission to give notice to or the non-receipt of notice by, any member or other                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

| Articles No.                          | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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|                                       | person to whom it should be given shall not invalidate the proceedings at the meeting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 92.                                   | In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy or where that is allowed one or more proxies, to attend and vote instead of himself and that a proxy need not be a member.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 93.                                   | <p>Where any items of business to be transacted at the meeting are deemed to be special as provided in Article 88 there shall be annexed to the notice of the meeting a statement setting out all materials facts concerning each such item of business namely:</p> <p>(a) The nature of concern or interest, financial or otherwise, if any of the following persons, in respect of each item of:</p> <ol style="list-style-type: none"> <li>every Director and the Manager; if any;</li> <li>every other Key Managerial Personnel; and</li> <li>relatives of the persons mentioned in sub-clause (i) and (ii);</li> </ol> <p>(b) Any other information and facts that may enable members to understand the meaning, scope and implementation of the items of business and to take decision thereon.</p> <p>Where any item of business consists of the according of approval to any document by the meeting the time and place where the document can be inspected shall be specified in the statement aforesaid.</p> |
| 94.                                   | <p>In the case of an Annual General Meeting all business to be transacted at the meeting shall be deemed special with the exception of business relating to:</p> <ol style="list-style-type: none"> <li>the consideration of the Financial Statements, (including the consolidated financial statements, if applicable), and the Reports of the Board of Directors and Auditors;</li> <li>the declaration of a dividend,</li> <li>the appointment of Directors in the place of those retiring and</li> <li>the appointment of and the fixing of the remuneration of the Auditors.</li> </ol> <p>In the case of any other meeting all business shall be deemed special.</p>                                                                                                                                                                                                                                                                                                                                             |
| 95.                                   | Upon a requisition of members complying with Section 111 of the said Act, the Directors shall comply with the obligations of the Company under the said Act relating to circulation of members' resolutions and statements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 96.                                   | <p>If the default is made in holding an Annual General Meeting in accordance with Section 96 of the Act, the Tribunal may, notwithstanding anything in the Act, (or in the Articles of the Company) on the application of any member of the Company, call or direct the calling of a General Meeting of the Company, and give such ancillary or consequential directions as the Central Government thinks expedient in relation to the calling, holding and conducting of the meeting.</p> <p>Explanation:- The directions that may be given, may include a direction that one member of the Company so present in person or by proxy shall be deemed to constitute a meeting. A General Meeting held in pursuance of this Article shall subject to any directions of the Tribunal be deemed to be an Annual General Meeting of the Company.</p>                                                                                                                                                                       |
| 97.                                   | <ol style="list-style-type: none"> <li>The Board may, whenever it thinks fit, call an Extraordinary General Meeting and such meeting shall be held at such place and time as the Directors think fit.</li> <li>If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an Extraordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 98.                                   | A certificate in writing, signed by the Secretary or by a Director or some officer or agent appointed by the Board for the purpose, to the effect that according to the best of its belief the notices convening the meeting have been duly given shall be prima facie evidence thereof.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 99.                                   | The Board, and the persons authorised by it, shall have the right to take and/or make suitable arrangements for ensuring the safety of any meeting – whether a general meeting or a meeting of any class of Security, or of the persons attending the same, and for the orderly conduct of such meeting, and notwithstanding anything contained in this Articles, any action, taken pursuant to this Article in good faith shall be final and the right to attend and participate in such meeting shall be subject to the decision taken pursuant to this Article.                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>PROCEEDINGS AT GENERAL MEETING</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 100.                                  | <ol style="list-style-type: none"> <li>No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.</li> <li>Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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|              | <p>iii. No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business a statement of which has not been specified in the notice convening the meeting except as provided in the said Act.</p> <p>iv. Subject to the provisions of these Articles, when more than one of the joint-holders of a share is present, only one of them shall be counted for ascertaining the quorum. Several executors or administrators of a deceased person in whose sole name shares stand shall for the purpose of this clause be deemed joint holders thereof.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 101.         | The Chairman of the Board, if any (whether Member or not) shall if present and willing, be entitled to take the chair at every General Meeting, whether Annual or Extraordinary, but if there be no such Chairman or in case of his being present or being unwilling or failing to take the chair within fifteen minutes of the time appointed for holding such meeting, the members present shall choose another Director (whether Member or not) as Chairman and if all the Directors present decline to take the chair or if there be no Director present, then the members present shall choose one of their own members to be Chairman of the meeting. If a poll is demanded it shall be taken forthwith in accordance with the provisions of sub-section(2) of section 104. The Chairman elected on a show of hands shall exercise all the powers of the Chairman for the purpose of such poll. If some other person is elected Chairman as a result of such poll, he shall be the Chairman for the rest of the meeting. The Chairman be permitted to hold the position of both the Chairman of the Board and/or General Meeting as well as Managing Director/CEO/equivalent position thereof in the Company as per the recommendations of the appropriate committee of the Directors and approved by the Board of Directors and as permitted by applicable laws from time to time. |
| 102.         | No business shall be transacted at any General Meeting, except the election of Chairman, whilst the chair is vacant.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 103.         | At any General Meeting, a resolution put to vote of the meeting shall, unless a poll is demanded under Section 109, or if the voting is carried out electronically be decided on a show of hands. Such voting in a general meeting or by postal ballot shall also include electronic voting in a General Meeting or Postal Ballot as permitted by applicable laws from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 104.         | A declaration by the Chairman that on a show of hands a resolution has or has not been carried or has or has not been carried either unanimously or by a particular majority and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 105.         | In case of an equality of votes the Chairman of any meeting shall both on the show of hands and at a poll (if any) held pursuant to a demand made at such meeting, have a second or casting vote.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 106.         | <p>There shall not be included in the minutes, any matter which, in the opinion of the Chairman of the meeting :</p> <p>i. is or could reasonably be regarded as defamatory of any person;</p> <p>ii. is irrelevant to the interests of the Company; or</p> <p>iii. is detrimental to the interests of the Company.</p> <p>Explanation:- The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this Article. Any such minute, if purporting to be signed by the Chairman of the meeting at which the proceedings took place or by the Chairman of the next succeeding meeting, shall be evidence of the proceedings.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 107.         | <p>The books containing the minutes of the proceedings of General Meetings of the Company shall:</p> <p>i. be kept at the registered office of the Company; and</p> <p>ii. be open during business hours to the inspection of any member without charge subject to such reasonable restrictions as the Company may impose so however that not less than two hours in each day are allowed for inspection.</p> <p>Any member shall be entitled to be furnished within seven working days after he has made request in that behalf to the Company with a copy of any Minutes referred to in sub-clause (1) on payment of Rs.10/-for every page or part thereof required to be photocopied and that the Company shall comply with provisions of Section 119 of the Act.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 108.         | The provisions contained in Article 103 shall mutatis mutandis apply to other registers maintained under the provisions of the said Act that can be inspected by an eligible person.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

| Articles No.                   | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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| 109.                           | No document purporting to be a report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 110.                           | <ul style="list-style-type: none"> <li>i. The Company shall cause minutes of all proceedings of General Meetings of any class of shareholders or creditors, and every resolution passed by postal ballot and of all proceedings at meetings of its Board of Directors or of committees of the Board, to be entered in books kept for the purpose;</li> <li>ii. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat</li> <li>iii. All appointments of officers made at any time of the meetings aforesaid shall be included in the minutes of the meeting.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>ADJOURNMENT OF MEETING</b>  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 111.                           | If, within half an hour from the time appointed for holding the meeting, a quorum of members is not present, the meeting if convened by or upon such requisition of members as aforesaid shall be dissolved, but in any other case it shall stand adjourned pursuant to the provisions of sub-section (2) of section 103 of the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 112.                           | If at such adjourned meeting a quorum of members is not present within half an hour from the time appointed for holding the meeting, the members present, whatever their number, shall be a quorum and may transact the business and decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place, if a quorum had been present thereat.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 113.                           | <ul style="list-style-type: none"> <li>i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place in the city, town or village where the Registered Office of the Company be situate.</li> <li>ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</li> <li>iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</li> <li>iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</li> <li>v. A resolution passed at an adjourned meeting of the Company shall be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.</li> </ul> |
| <b>VOTING RIGHTS AND PROXY</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 114.                           | <p>Subject to any rights or restrictions for the time being attached to any class or classes of shares,—</p> <ul style="list-style-type: none"> <li>(a) on a show of hands, every member present in person shall have one vote; and</li> <li>(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 115.                           | A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 116.                           | Any one of two or more joint holders may vote at any meeting (including voting by postal ballot and by electronic voting) either personally or by an agent duly authorised under a power of attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney that one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such Security shall alone be entitled to vote in respect thereof. Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person, present by an agent, duly authorised under a power of attorney or by proxy although the name of such persons present by an agent or proxy stands first in the Register in respect of such shares. Several executors of a deceased member in whose (deceased member's) sole name any Security stands shall for the purpose of this sub-clause be deemed joint holders.                 |
| 117.                           | A Member being a Body Corporate (whether a company within the meaning of the said Act or not) may by resolution of its Board of Directors or other governing body authorise such persons as it thinks fit to act as its representative at any meeting of the Company, or at any                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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|              | meeting of any class of members of the Company. A person authorised 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 which he represents as that body could exercise if it were a member, creditor or holder of debentures of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 118.         | Subject and without prejudice to any special privileges or restrictions or conditions for the time being attached to or affecting the preference or other special classes of shares, if any, issued by and for the time being forming part of the capital of the Company every member, entitled to vote under the provisions of these presents and not disqualified by the provisions of Articles 106, 108 and 109 or by any other Article shall on a show of hands have one vote and upon a poll every member, present in person or proxy or agent duly authorised by a power-of-attorney or representative duly authorised and not disqualified as aforesaid, shall have voting rights in proportion to his share of the paid-up equity capital of the Company subject however to any limits imposed by law. But no member shall have voting right in respect of any moneys paid in advance. |
| 119.         | No member who is not personally present shall be entitled to vote on a show of hands unless such member is a Body Corporate present by proxy or by a representative duly authorised under Section 113 of the Act in which case such proxy or representative may vote on a show of hands as if he were a member of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 120.         | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 121.         | Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 122.         | No member shall be entitled to exercise any voting right on any question either personally or by proxy or upon poll (including voting by electronic means) 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 or has exercised any right of lien.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 123.         | A Member may exercise his vote, in respect of items of business to be transacted for which notice is issued, by electronic means in accordance with Section 108, and shall vote only once.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 124.         | 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. A member or his proxy who votes shall be deemed to have used all his votes unless he expressly gives written notice to the contrary at the time he casts any votes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 125.         | Notwithstanding anything contained in this Articles, where the title to any Securities is under dispute before any court, where no injunction subsists (or direction made) as to the exercise of voting rights or other rights of a member including the rights attached to such Securities, the Board shall be entitled to suspend any such right aforesaid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 126.         | Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself but a proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll.<br>A person shall not act as proxy: <ul style="list-style-type: none"> <li>(a) for more than 50 Members and holding in aggregate not more than 10% of the total share capital of the Company; and</li> <li>(b) for more than one Member, if that Member holds more than 10% of the total share capital of the Company.</li> </ul>                                                                                                                                                                                                                                    |
| 127.         | <ul style="list-style-type: none"> <li>i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.</li> <li>ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 128.         | The instrument appointing a Proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of Proxy shall not be treated as valid.                                                                                                                                                                                                                                                                                                                                    |

| Articles No.                                                     | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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| 129.                                                             | The instrument appointing a proxy shall be in writing and shall be signed by the appointer or his attorney duly authorised in writing. If the appointer is a Body Corporate such instrument shall be under its seal or be signed by an officer or an attorney duly authorised by it, or by the persons authorised to act as the representative of such company under Article 110. Any instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or join in the demand for a poll on behalf of the appointer, where a poll has not been ordered to be carried out electronically.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 130.                                                             | No instrument of proxy shall be treated as valid and no person shall be allowed to vote or act as proxy at any meeting under an instrument of proxy, unless such instrument of proxy and power-of-attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall have been deposited at the Registered Office of the Company at least forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the persons named in such instrument proposes to vote. An instrument appointing a proxy or an attorney permanently or for a certain period once registered with the Company need not be again registered before each successive meeting and shall be in force until the same shall be revoked. Notwithstanding that a power-of-attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or to attorney at least seven days before the date of a meeting require him to produce the original power-of-attorney or authority and unless the same is thereupon deposited with the Company the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit. |
| 131.                                                             | If any such instrument of appointment be confined to the objects of appointing an attorney or proxy or substitute, it shall remain, permanent or for such time as the Directors may determine in the custody of the Company and if embracing other objects, a copy thereof, examined with the original shall be delivered to the Company to remain in the custody of Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 132.                                                             | An instrument appointing a Proxy shall be in the form as prescribed in the rules made under section 105.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 133.                                                             | The instrument appointing a proxy whether for a specified meeting or otherwise shall be in Form MGT-11.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 134.                                                             | In case of e-voting, a Member shall be deemed to have exercised his voting rights by himself, even if any other person had voted using the login credentials of that Member.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 135.                                                             | A vote given in accordance with the terms of an instrument of Proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the Proxy or of the authority under which the Proxy was executed, or the transfer of the shares in respect of which the Proxy is given:<br>Provided that no intimation in Writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the Proxy is used.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 136.                                                             | The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting and the Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The Chairman shall be assisted by a scrutinizer, appointed by the Board for this purpose.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>BOARD OF DIRECTORS, THEIR QUALIFICATIONS AND REMUNERATION</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 137.                                                             | The number of the directors and the names of the first directors shall be determined in Writing by the subscribers of the memorandum or a majority of them.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 138.                                                             | The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 139.                                                             | The Directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these articles not exceeding such amount as is permissible under the Rules, per meeting attended by him.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 140.                                                             | <ul style="list-style-type: none"> <li>i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.</li> <li>ii. In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them – <ul style="list-style-type: none"> <li>(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or</li> <li>(b) in connection with the business of the company.</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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| 141.         | The Board may pay all expenses incurred in getting up and registering the company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 142.         | No Director of the Company be required to hold any qualification shares.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 143.         | Any deed for securing loans by the Company from financial corporations may be so arranged to provide for the appointment from time to time by the lending financial corporation of some person or persons to be a director or directors of the Company and may empower such lending financial corporation from time to time to remove and re-appoint any Director so appointed. A Director appointed under this Article is herein referred as "Nominee Director" and the term "Nominee Director" means any director for time being in office under this Article. The deed aforesaid may contain ancillary provisions as may be arranged between the Company and the lending corporation and all such provisions shall have effect notwithstanding any of the other provisions herein contained.                                                                                                                                       |
| 144.         | If and when the Company shall issue debentures the holders of such debentures, or if and when the Company shall create a mortgage of any property, the mortgagee or mortgagees to whom such property shall be mortgaged, may have the right to appoint and nominate and from time to time remove and re-appoint a Director or Directors, in accordance with the provisions of the Trust Deed securing the said debentures, or the deed creating such mortgages, as the case may be. A Director so appointed under this Article, is herein referred to as "The Debenture Director" and the term "Debenture Director" means a Director for the time being in office under the Article, and he shall have all the rights and privileges of an ordinary Director of the Company, except in so far as is otherwise provided for herein or by the Trust Deed securing the Debentures or the deed creating the mortgage, as the case may be. |
| 145.         | The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 146.         | All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 147.         | Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 148.         | The Directors shall arrange to maintain at the Registered office of the Company a Register of Directors, Key Managerial Personnel, containing the particulars and in the form prescribed by Section 170 of the Act. It shall be the duty of every Director and other persons regarding whom particulars have to be maintained in such Registers to disclose to the Company any matters relating to himself as may be necessary to comply with the provisions of the said sections.                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 149.         | A Director may receive remuneration by way of fee not exceeding such amount as may be permissible under the Rules for attending each meetings of the Board or Committee thereof; or of any other purpose whatsoever as may be decided by the Board.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 150.         | Subject to the provisions of Section 197 of the said Act any one or more of the Directors shall be paid such additional remuneration as may be fixed by the Directors for services rendered by him or them and any one or more of the Directors shall be paid further remuneration if any as the Company in General Meeting or the Board of Directors shall from time to time determine. Such remuneration and/or additional remuneration may be paid by way of salary or commission on net profits or turnover or by participation in profits or by way of perquisites or in any other manner or by any or all of those modes.                                                                                                                                                                                                                                                                                                       |
| 151.         | If any director, being willing shall be called upon to perform extra services, or to make any special exertion for any of the purposes of the Company, the Company in General Meeting or the Board of Directors shall, subject as aforesaid, remunerate such Director or where there is more than one such Director all or such of them together either by a fixed sum or by a percentage of profits or in any other manner as may be determined by the Directors and such remuneration may be either in addition to or in substitution for the remuneration above provided.                                                                                                                                                                                                                                                                                                                                                          |
| 152.         | <p>i.</p> <p>(a) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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|              | <p>(b) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.</p> <p>ii. The Board may appoint alternate Director in the manner as provided under sub section(2) of Section 161 of the Act.</p> <p>iii. The Board may appoint nominee Director in the manner as provided under sub section(3) of Section 161 of the Act.</p> <p>iv. The Board may appoint Director to fill casual vacancy for vacating director in the manner as provided under sub section (4) of Section 161 of the Act.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 153.         | <p>A person shall not be capable of being appointed Director of the Company, if:</p> <p>i. he has been found to be unsound mind by court of competent jurisdiction;</p> <p>ii. he is an undischarged insolvent;</p> <p>iii. he has applied to be adjudicated as an insolvent and his application is pending;</p> <p>iv. he has been convicted by a Court in India of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than 6 months, and a period of five years has not elapsed from the date of expiry of the sentence;</p> <p>v. he has not paid any call in respect of shares of the Company held by him, whether alone or jointly with others and six months have elapsed from the last day fixed for the payment for the call; or</p> <p>vi. an order disqualifying him for appointment as Director has been passed by a Court or Tribunal and the order is in force;</p> <p>vii. he has been convicted of the offence dealing with related party transactions under Section 188; or</p> <p>viii. he has not complied with sub-section 3 of section 152.</p>                                                                                                                                                                                                                                                                                                                                               |
| 154.         | <p>The Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him. An Independent Director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of Special Resolution and such other compliances as may be required in this regard. No Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 155.         | <p>Not less than two-thirds of the total number of Directors of the Company shall:</p> <p>i. be persons whose period of office is liable to determination by retirement of Directors by rotation; and</p> <p>ii. save as otherwise expressly provided in the said Act; be appointed by the Company in General Meeting.</p> <p>Explanation:-for the purposes of this Article “total number of Directors” shall not include Independent Directors appointed on the Board of the Company.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 156.         | <p>The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 157.         | <p>i. Subject to the provisions of Section 152 of the Act at every Annual General Meeting, one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office.</p> <p>ii. The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. A retiring Director shall be eligible for re-election.</p> <p>iii. At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.</p> <p>iv. If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a National Holiday, till the next succeeding day which is not a holiday, at the same time and place.</p> <p>v. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director</p> |



| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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|              | shall be deemed to have been re-appointed at the adjourned meeting unless: <ul style="list-style-type: none"> <li>(a) at the meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;</li> <li>(b) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;</li> <li>(c) he is not qualified or is disqualified for appointment;</li> <li>(d) a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of the said Act; or</li> <li>(e) Section 162 is applicable to the case.</li> </ul>                                                                                                        |
| 158.         | 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 reappointed a Director by the Board of Directors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 159.         | A person who is not a retiring Director shall subject to the provisions of the said Act, be eligible for appointment to the Office of Director at any General Meeting, if he or some member intending to propose him has, not less than fourteen days before the meeting, left at the Registered Office of the Company a notice in writing under his hand signifying his candidature for the office of Directors or as the case may be, the intention of such Member to propose him as a candidate for the office, along with deposit of Rs. 1,00,000 (Rupees one lakh) or such other amount as may be specified in the relevant Rules. The amount so deposited shall be refunded to such person or, as the case may be, to the Member, if the person proposed get selected as a Director or gets more than 25% of total valid votes. |
| 160.         | A person appointed as a Director shall not act as a Director unless he gives his consent to hold the office as director.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 161.         | At a General Meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution, unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 162.         | For the purpose of this Article a motion for approving a person's appointment or for nominating a person for appointing shall be treated as a motion for his appointment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 163.         | The Directors shall have power at any time and from time to time, to appoint any person other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time. Each such Additional Director shall hold office only up to the date of the next following Annual General Meeting, or the last date on which the annual general meeting should have been held, whichever is earlier, but shall be eligible for appointment by the Company at that meeting as a Director.                                                                                                                                                                                                                                                                                                             |
| 164.         | If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board.<br>Any person 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 has not been vacated as aforesaid.                                                                                                                                                                                                                                                                                                                                                                                                 |
| 165.         | The Board of Directors may appoint a person, not being a person holding any alternate directorship for any other Director in the Company, to act as an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from India.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 166.         | No person shall be appointed as an alternate director for an Independent Director unless he is qualified to be appointed as an Independent Director.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 167.         | An Alternate Director shall: <ul style="list-style-type: none"> <li>i. be entitled to notice of meetings of the Directors, and to attend and vote thereat accordingly</li> <li>ii. vacate office if and when the Original Director returns to India.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 168.         | If the term of office of the Original Director is determined before he so returns to India as aforesaid any provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director. An Alternate Director may be removed by the Board of Directors which may appoint another Alternate Director in his place.                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 169.         | The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below three, the continuing Directors may act for the purpose of increasing the number of Directors to the said number, or of summoning a General Meeting                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

| Articles No.                    | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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|                                 | of the Company, but for no other purpose.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 170.                            | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>PROCEEDINGS OF THE BOARD</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 171.                            | A minimum number of four meetings of the Directors shall have been held in every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meeting and proceedings, as they think fit, and may determine the quorum necessary for the transaction of business.                                                                                                                                                                                                                                                                                                                                                                                                             |
| 172.                            | 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 videoconferencing 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 videoconferencing 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.                                                                                                                                                                                                                                                         |
| 173.                            | Subject to provisions of Section 173 (3) of the Act, notice of not less than 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 subject to the condition that at least one Independent Director of the Company shall be present at the meeting. In the event, any Independent Director is not present at the meeting called at shorter notice, the decision taken at such meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director.                                                            |
| 174.                            | The quorum for a meeting of the Board shall be 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 this Article Provided 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. Explanation: The expressions "interested Director" shall have the meanings given in Section 184(2) of the said Act and the expression "total strength" shall have the meaning as given in Section 174 of the Act. |
| 175.                            | If a meeting of the Board could not be held for want of a quorum then the meeting shall automatically stand adjourned to the same day in the next week, at the same time and place, or if that day is a National Holiday, till the next succeeding day which is not a National Holiday at the same time and place.<br>The provisions of Article 169 shall not be deemed to have been contravened merely by reason of the fact that a meeting of the Board which has been called in compliance with the terms of that Article could not be held for want of a quorum.                                                                                                                                                                                                                                                                                   |
| 176.                            | The Chairman may, and manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 177.                            | <ul style="list-style-type: none"> <li>i. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit, subject to the provisions of the Act, other Applicable Laws from time to time, the business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are stipulated under the Act or any statutory modification thereof for the time being in force or SEBI Listing Regulations, rules and regulations of the stock exchanges, as applicable and as amended from time to time, or by these Articles, required to be exercised or done by the Company in general meetings.</li> <li>ii. A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</li> </ul>    |
| 178.                            | <ul style="list-style-type: none"> <li>i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.</li> <li>ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 179.                            | The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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|              | as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 180.         | <ul style="list-style-type: none"> <li>i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. The same individual may, at the same time, be appointed as the Chairperson as well as the Managing Director of the Company.</li> <li>ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 181.         | <ul style="list-style-type: none"> <li>i. Subject to the provisions of Section 179 of the said Act, the Directors may delegate any of their powers, other than powers which by reason of the provisions of the said Act cannot be delegated to committees consisting of such member or members of their body as they may think fit, and they may from time to time revoke and discharge any such Committee either wholly or in part, and either as to persons or purposes.</li> <li>ii. 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 Directors, and all acts done by any such Committee in conformity with such regulations and in fulfilment of the purpose of their appointment, but not otherwise, shall have the like force and effect as if done by the Board.</li> <li>iii. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto, and are not superseded by the express terms of the appointment of any such Committee, or by any regulations made by the Directors.</li> </ul> |
| 182.         | <ul style="list-style-type: none"> <li>i. A committee may elect a Chairperson of its meetings.</li> <li>ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 183.         | <ul style="list-style-type: none"> <li>i. A committee may meet and adjourn as it thinks fit.</li> <li>ii. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 184.         | All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 185.         | <p>In case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:</p> <ul style="list-style-type: none"> <li>i. the names of the Directors present at the meeting; and the names of the Directors who are present through video or other audio-visual means;</li> <li>ii. in the case of each resolution passed at the meeting, the name of the Directors, if any, dissenting from or not concurring on the resolution.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 186.         | 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, 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 187.         | <p>All acts done by a person as a Director shall be valid, notwithstanding that it may be afterwards discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in the said Act or in these Articles.</p> <p>Provided that this Article shall not give validity to acts done by a Director after his appointment has been shown to the company to be invalid or to have terminated.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 188.         | The Directors shall cause minutes to be duly entered in a book or books provided for the purpose in accordance with these presents and section 118 of the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 189.         | The Directors shall cause to be kept at the Registered Office:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

| Articles No.                        | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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|                                     | (a) a Register mentioned in Article 152 and<br>(b) a Register of Contracts or arrangements of which they are interested, containing the particulars required by Section 189 of the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 190.                                | Save as otherwise expressly provided in the Act, a resolution in Writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 191.                                | The provisions contained in Article 103 (1)(b) and 103(2) relating to inspection and taking copies shall be mutatis mutandis be applicable to the registers specified in this Article.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>BORROWING POWER OF DIRECTORS</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 192.                                | The Directors may, from time to time at their discretion raise or borrow, or secure the repayment of any loan or advance taken by the Company. Any such moneys may be raised and the payment or repayment of such moneys may be secured in such manner and upon such terms and conditions in all respects as the Directors may think fit and, in particular by promissory notes, or by opening current accounts or by receiving deposits and advances at interest, with or without security, or by the issue of debentures of 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, or by mortgaging, charging or pledging any lands, buildings, machinery, plants, goods or other property and securities of the Company, or by such other means as to them may seem expedient. |
| 193.                                | The Board of Directors shall not, except with the consent of the Company in General Meeting, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 194.                                | No debt by the Company in excess of limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that Article has been exceeded.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 195.                                | Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company, shall be under the Control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company. Any such debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. If any other offer is made to the public to subscribe for or purchase debentures the provisions of the said Act relating to a prospectus shall be complied with.                                                                                                                                                                                                                                              |
| 196.                                | Any such debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise, and on condition (with the consent of the Company in General Meeting) and they may have a right to allotment of or be convertible into shares of any denominations, and with any special privileges and conditions as to redemption (or being irredeemable), surrender, drawings, re-issue, attending at General Meeting of the Company, appointment of Directors, and otherwise, provided that no debentures, debenture-stock, bonds or other securities may be issued carrying voting rights. The Company shall have power to re-issue redeemed debentures.                                                                                                                                                                                                                    |
| 197.                                | A contract with the Company to take up and pay for any debentures of the Company may be enforced by a Deed for specific performance.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 198.                                | The Company, shall within two months after the allotment of any of its shares, and six months after the allotment of any debentures or debenture-stock, and within one month after the application for the registration of the transfer of any shares, debentures or debenture-stock have completed and have ready for delivery the certificates of all shares, the debentures and the certification of all debenture-stock allotted or transferred, unless the conditions of issue of the shares, debentures of debenture-stock otherwise provide The expression "transfer" of the purpose of the sub clause means a transfer duly stamped, dated and otherwise valid, and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register.                                                                                                 |
| 199.                                | A copy of any trust deed for securing any issue of debentures shall be forwarded to the holder of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment of rupees fifty.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 200.                                | The Court may also, by order, direct that the copy required shall forthwith be sent to                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

| Articles No.              | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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|                           | the person requiring it. The Trust Deed referred to shall be open inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of the same fees, as if it were the register of members of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 201.                      | If any uncalled capital of the Company is included in or charged by any mortgagor or other security, the Directors may, by instrument under the Company's seal, authorise the person in whose favour such mortgage or other security is executed, or any other person in trust for him to make calls on the members in respect of such uncalled capital, and the provisions hereinbefore contained in regard to call shall mutatis mutandis apply to calls under such authority, and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently, and either to the exclusion of the Directors power or otherwise, and shall be assignable if expressed so to be.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 202.                      | If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 203.                      | The Company may exercise the power to keep foreign register of members or debenture holders or other security holders or beneficial owners residing outside India as provided in Section 88 of the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>POWER OF DIRECTORS</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 204.                      | Subject to the provisions of Section 135, 179, 180, 181, 182, 183, 184, 185, 186, 188 and 203 of the Act, the Board of Directors of the Company shall be entitled to exercise all such powers, give all such consents, make all such arrangements, be nearly do all such acts and things as are or shall be by the said Act, and the memorandum of association and these precedents directed or authorized to be exercised, given, make or done by the Company and are not thereby expressly directed or required to be exercise, given, made or done by the Company in General Meeting, but subject to such regulations being (if any) 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 regulations had not been made.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 205.                      | Save as provided by the said Act or by these presents and subject to the restrictions imposed by Section 179 of the said Act, the Directors may delegate all or any powers by the said Act or by the Memorandum of Association or by these presents reposed in them.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 206.                      | Subject to the provisions of Articles 189 but without prejudice to the General Powers thereby conferred and so as not in any way to conferred by these presents, it is hereby expressly declared that the Directors shall have the following powers and authorities, that is to say power and authority : <ul style="list-style-type: none"> <li>(A) To enter into agreements with foreign components and other persons for obtaining by granting licence or other terms, formulae and other rights and benefits and to obtain financial and or technical collaboration, technical information, knowhow and expert advice in connection with the activities and business permitted under the Memorandum of Association of the Company.</li> <li>(B) To take over and acquire the industrial licence, import licence, permit and other rights on payment of actual and out of pocket expenses incurred thereof, and compensation for technical services rendered in connection therewith.</li> <li>(C) To pay and charge to the Capital / Revenue Account of the Company the legal and other costs, charges and expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company including the stamps and fees paid in respect thereof.</li> <li>(D) To pay and charge to the Capital / Revenue Account of the Company any commission or interest lawfully payable under the provisions of the said Act</li> <li>(E) To carry out activities that are specified in Schedule VII of the Act, and for this purpose expend / incur the monies of the Company, and all monies so expended or incurred for this purpose shall also be construed to be for the purpose of the Company's business.</li> <li>(F) To purchase in India or elsewhere any machinery plant, stores and other articles and things for all or any of the objects or purpose of the Company;</li> <li>(G) To purchase, take on lease or otherwise acquire in India any lands (whether freehold, leasehold or otherwise) and with or without houses, buildings, structures</li> </ul> |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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|              | <p>or machinery(fixed or loose) and any moveable property, rights or privileges (including intellectual property rights) from any person including a Director in furtherance of or for carrying out its objects, at or for such price or consideration and generally on such terms and conditions and with such titled thereto as they may think fit or may believe or be advised to be reasonable satisfactory.</p> <p>(H) To purchase, or otherwise acquire from any person and to resell, exchange, and repurchase any patent for or licence for the use of any invention.</p> <p>(I) To purchase or otherwise acquire for the Company any other property, formule, concessions, rights and privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit.</p> <p>in any such purchase or other acquisition to accept such titled as the Directors may believe or may be advised to be reasonably satisfactory. At their discretion to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partly in cash or in shares, or in both, or in bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon and any bonds, debentures, mortgages or other securities, may be either specifically charged upon all or any part of the property of the Company, and its uncalled capital or not so charged.</p> <p>(J) to sell for cash or on credit or to contract for the sale and future delivery of or to and for sale in any part of India or elsewhere any products or Articles produced, manufactured or prepared by the Company as the Directors may deem advisable.</p> <p>(K) To erect, construct, and build and factories, warehouses, godowns, engine houses, tanks, wells, or other constructions, adopted to the objects of the Company or may be considered expedient or desirable for the objects or purposes of the Company or any of them;</p> <p>(L) to sell from time to time any articles, materials, machinery, plant, stores and other articles and things belonging to the Company as the Directors may think proper and to manufacturer, prepare and sell waste and by-products;</p> <p>(M) from time to time to extend the business and undertaking of the company by adding to, altering, or enlarging all or any of the building, factories, workshops, premises, plant and machinery, for the time being the property or in the possession of the Company, or by erecting new or additional buildings, and to expend such sums of money for the purposes aforesaid or any of them, as may be thought necessary or expedient;</p> <p>(N) to remove all or any of the machinery, plant and other movable property of the Company for the time being in or upon lands, buildings, or premises of the Company to other lands, buildings, or premises;</p> <p>(O) to negotiate for, and subject to the approval of the Company in General Meeting, contract for the sale and transfer of all or any part of the property and undertaking of the Company as a going concern, subject or not subject to all or any of the obligations and liabilities of the Company</p> <p>(P) to undertake on behalf of the Company the payment of all rents the performance of all covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company, and to purchase the reversion or reversions, and otherwise to acquire the freehold or fee-simple of all or any of the lands of the Company for the time being held under lease, or for an estate less than a free hold estate;</p> <p>(Q) to improve, manage, develop, exchange, lease, sell, re-sell and re-purchase, dispose of, deal with or otherwise turn to account and property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested;</p> <p>(R) to secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such manner as they may think fit.</p> <p>(S) to accept from any member, on such terms and conditions as shall be agreed upon and as far as may be permissible by law, a surrender of his shares or any part thereof;</p> <p>(T) to determine from time to time who shall be entitled to sign on the Company's behalf</p> |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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|              | <p>bills, notes, receipts, acceptances, endorsement, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes;</p> <p>(U) to make advances and loans without any security, or on such security as they may think proper and to take security for already existing debts, and otherwise to invest and deal with any of the moneys of the Company not immediately required for the purpose thereof in Government or Municipal securities, fixed deposits in banks and in such other manner as they may think fit and from time to time vary or realise such investments, and for the purpose aforesaid to authorise such persons within limits to be fixed from time to time by the Board.</p> <p>(V) to make and give receipts, releases and other discharges for moneys payable to, or for goods or property belonging to the Company, and for the claims and demands of the Company;</p> <p>(W) subject to the provisions of Section 179, 180 and 186 of the said Act, to invest and deal with any moneys of the Company not immediately required of the purposes thereof, upon such security (not being shares of the Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments, Save as provided in Section 187 of the said Act all investments shall be made and held in the Company's own name;</p> <p>(X) to give to any officer or other person employed by the Company including any Directors so employed, a commission on the profits of any particular business or transaction, or a share in general or particular profits of the Company, and such commission or share of profits shall be treated as part of the working expenses of the Company and to pay commissions and make allowances to any person introducing business to the Company or otherwise assisting its interests;</p> <p>(Y) subject to the provisions of Section 187 of the said Act to appoint any person or persons (whether incorporated or not) to accept and hold in trusts for the Company any property belonging to the Company, or in which the Company is interested or for any other purposes and to execute and do all such acts, deeds and things as may be requisite in relation to any such trust, and to provide for the remuneration of such trustee or trustees;</p> <p>(Z) to insure and keep insured against loss or damage or fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or conjointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power</p> <p>(AA) to attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit;</p> <p>(BB) to execute, in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they may think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon;</p> <p>(CC) to institute, conduct, defend, compound, abandon or refer to arbitration any action, suit, appeals, proceedings, for enforcing decrees and orders and other legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, to compound or compromise and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company and to refer the same or arbitration, to observe and perform any awards made there on; to act on behalf of the Company in all matters relating to bankrupts and insolvents;</p> <p>(DD) The person duly authorised by the Directors shall be entitled to make, give, sign and execute all and every warrant to use or defend on behalf of the Company, and all and every legal proceedings and compositions or compromise, agreements, and submission to arbitration and agreement to refer to arbitration as may be requisite, and for the purposes aforesaid, the Secretary or such other person may be empowered to use their or his own name on behalf of the Company, and they or he shall be saved harmless and</p> |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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|              | indemnified out of the funds and property of the Company, from and against all costs and damages which they or he may incur or be liable to by reason of their or his name so used as aforesaid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| (EE)         | to provide for the welfare of the employees or ex-employees of the Company, and the wives, widows and families or the dependants or connects of such persons and to give, award or allow any pension, gratuity, compensation, grants of money, allowances, bonus, stock options (including other stock related compensation) or other payment to or for the benefit of such persons as may appear to the Directors just and proper, whether they have or have not a legal claim upon the Company, and before recommending any dividends to set aside portions of the profits of the Company to form a fund to provide for such payments and in particular to provide for the welfare of such persons, by building or contributing to the building of houses, dwelling or chawls, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Directors shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions, or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation of public and general utility;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| (FF)         | before recommending any dividend, to set aside, out of the profits of the Company such sums for depreciation as provided in Section 123 of the said Act and such sums as they think proper for creating reserves, general or specific or special funds to meet contingencies or to repay debentures or debenture-stock or to pay off preference of other shareholders subject to the sanction of the Court when the same is required by law on for payment of dividends or equalising dividend or for special dividends or bonus or for repairing, improving, extending and maintaining any part of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Directors may in their absolute discretion think conducive to the interest of the Company and from time to time to carry forward such sums as may be deemed expedient and to invest and deal with the several sums to set aside or any part thereof as provided in Clause (18) of this Article as they think fit, and from time to time to deal with and vary such investment and dispose of and apply and expend the same or any part thereof for the benefit of the Company in such manner and for such purpose as the Directors in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof for the benefit of the Company in such manner and for such purpose as the Directors in their absolute discretion think conducive to the interest of the Company notwithstanding that the matter to which the Directors apply or upon which they expend the same or any part thereof may be matters to and upon which the capital money of the Company might rightly be applied or expended and the Directors may divide the Reserve or any Fund into such special funds and transfer any sum from one fund to another as they may think fit and may employ the assets constituting all or any of the above funds including the Depreciation Fund or any part thereof in the business of the Company or in the purchase or repayment of debentures or debenture-stock or preference shares or in payment of special dividend or bonus and that without being bound to keep the same separate from the other assets, and without being bound to pay interest for the same with power however to the Directors at their discretion to pay or allow to the credit of such funds or any of them the interest at such rate as the Directors may think proper not exceeding 9 per cent per annum. |
| (GG)         | from time to time and at any time to entrust to and confer upon the officers for the time being of the Company, and to authorise, or empower them to exercise and perform and by Power-of-Attorney under seal to appoint any person to be the Attorney of the Company and invest them with such of their powers, authorities, duties and discretion exercisable by or conferred or imposed upon he Directors, but not the power to make Calls or other power which by law are expressly stated to be incapable of delegation as the Directors may think fit, and for such time and to be exercise for such objects                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |



| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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|              | and purposes and subject to such restrictions and conditions, as the Directors may think proper or expedient, and either collaterally with or to the exclusion of and in substitution for all or any of the powers, authorities, duties and discretions of the Directors in that behalf, with authority to the Secretary or such officers or attorney to sub-delegate all or any of the powers, authorities, duties, and discretions for the time being vested in or conferred upon them and from time to time to revoke all such appointments of attorney and withdraw, alter or vary all or any of such powers, authorities, duties and discretions;                                                                                                                                                                                                                                                                                                                                                                                          |
| (HH)         | to appoint, and at their pleasure to remove, discharge, or suspend and to re-employ or replace, for the management, of the business, secretaries, managers, experts, engineers, accountants, agents, subagents, bankers, brokers, muddadums, solicitors, officers, clerks, servants and other employees for permanent, temporary or special services as the Directors may from time to time think fit, and to determine their powers and duties and fix their emoluments, salaries, wages, and to require security in such instances and to such amount as they think fit, and to ensure and arrange for guarantee for fidelity of any employees of the Company and to pay such premiums on any policy of guarantee as may from time to time become payable;                                                                                                                                                                                                                                                                                    |
| (II)         | from time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of any Local Boards and to fix their remuneration. And from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors, other than their power to make a Call and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation. Any such delegate may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him. |
| (JJ)         | at any time and from time to time by power-of-attorney to appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors think fit) may be made in favour of the members or any of the members of any Local Board established as aforesaid or in favour of any Company or the members, Directors, nominees, or Managers of any company or firm or otherwise in favour of any fluctuating body or persons whether nominated directly or indirectly by the Directors, and any such Power-of-attorney may contain such powers for the protection or convenience of persons dealing with such Attorney as the Directors may think fit.                                                                                        |
| (KK)         | from time to time to provide for the management transaction of the affairs of the Company outside the Registered Office or in any specified locality in India or outside India, in such manner as they think fit and in particular to appoint any person to be the Attorneys or agents of the Company with such powers, authorities and discretions (including power to sub-delegate) but not exceeding those vested in or exercisable by the Directors, and also not the power to make calls or issue debentures and for such period, and upon such terms and subject to such conditions as the Directors may think fit, and at any time to remove any person so appointed or withdraw or vary any such powers as maybe thought fit, and for that purpose the Company may exercise the powers conferred by Section 88 of the Act relating to keep in any State or country outside India a foreign Register respectively and such powers shall accordingly be vested in the Directors.                                                          |
| (LL)         | for or in relation to any of the matters aforesaid or otherwise for the purpose and objects of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute, perform and do and sanction, and authorise all such acts, deeds, matters and things, including matters that are incidental and/or ancillary thereto, in the same and on behalf of the Company as they may consider                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

| Articles No.                                                                          | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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|                                                                                       | expedient;<br>(MM) to open accounts with any bank or bankers or with any Company, firm or individual for the purpose of the Company's business and to pay money into and draw money from any such account from time to time as the Directors may think fit.<br>(NN) generally subject to the provisions of the Act and these Articles to delegate the powers, authorities and discretions vested in the Directors to any Key Managerial Personnel, firm, company or fluctuating body of persons as aforesaid.<br>(OO) to authorise the issue of securities (including depository receipts), whether convertible to shares or not, as per applicable laws, either as a primary issue or a secondary offering.                                                                                                                                                                     |
| <b>MANAGING DIRECTORS</b>                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 207.                                                                                  | Subject to the provisions of Section 196, 197, and 203 of the Act, the Directors may from time to time appoint one or more of their body to be Managing Director, Joint Managing Director or Managing Directors, Whole-time Director or Manager of the Company either for a fixed term or without any limitation as to the period for which he or they is or are to hold such office but in any case not exceeding five years at a time and may from time to time remove or dismiss him or them from office and appoint another or others in his or their place or places.                                                                                                                                                                                                                                                                                                       |
| 208.                                                                                  | A managing Director or Joint Managing Director subject to the provisions contained in Article 184 may while he continues to hold that office be subject to retirement by rotation and he may be taken into account in determining the rotation of retirement of Directors or the number of Directors to retire and he shall, subject to the terms of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the Directors of the Company, and if he ceases to hold the office of Directors from any cause shall ipso facto and immediately cease to be Managing Director.                                                                                                                                                                                                                                                  |
| 209.                                                                                  | The remuneration of a Managing Director and Joint Managing Director shall from time to time be fixed by the Directors and may be by way of salary or commission or participating in profits or by way or all of those modes or in other forms shall be subject to the limitations prescribed in Section 197 of the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 210.                                                                                  | The Directors may from time entrust to and upon a Managing Director or Joint Managing Director for the time being such of the powers exercisable under these Articles by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers, unless and until otherwise determined a Managing Director may exercise all the powers exercisable by the Directors, save such powers as by the Act or by these Articles shall be exercisable by the Directors themselves. |
| <b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 211.                                                                                  | Subject to the provisions of the Act,—<br>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;<br>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.                                                                                                                                                                                                                                                                                                                                                    |
| 212.                                                                                  | A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 213.                                                                                  | The Directors may from time to time appoint and at their discretion remove, a person (hereinafter called "the Secretary") to keep the Registers required to be kept by the Company, to perform any other function which by the said Act or by these Articles are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to the Secretary by the Directors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 214.                                                                                  | The Directors may any time appoint a temporary substitute for the Secretary who shall for the purpose of these Articles be deemed to be the Secretary.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

| Articles No.                 | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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| <b>REGISTERS</b>             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 215.                         | <p>(a) The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.</p> <p>(b) The registers and copies of annual return shall be open for inspection during business hours on all working days, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.</p> <p>(c) The Company shall also comply with the provisions of Sections 92 of the Act as to filing Annual Returns.</p> <p>(d) The Company shall duly comply with the provisions of Section 94 of the Act in regard to keeping of the Registers, Indexes, copies of Annual Returns and giving inspection thereof and furnishing copies thereof.</p> |
| 216.                         | The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register. The foreign register shall be open for inspection and may be closed, and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>THE SEAL</b>              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 217.                         | <p>i. The Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Directors shall provide for the safe custody of the seal for the time being. The seal of the Company shall never be used except by the authority of a resolution of the Board of Directors or committee thereof and in presence of one of Directors or Company Secretary or Chief Financial Officer or such other persons as the Board may authorise who will sign in token thereof and countersigned by such officers or persons at the Directors may from time to time resolve.</p> <p>ii. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.</p>                                                                                                        |
| <b>DIVIDENDS AND RESERVE</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 218.                         | The company in general meeting may declare dividends to be paid to the members according to their respective rights and interests in the profits, and may fix the time for the payment thereof, but no dividend shall exceed the amount recommended by the Board, however, the Company in General Meeting may declare a smaller dividend.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 219.                         | Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 220.                         | Any share holder whose name is entered in the Register of Members of the Company shall enjoy the rights and be subject to the same liabilities as all other shareholders of the same class.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 221.                         | Unless the Company otherwise resolves, dividends shall be paid in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some share than on others. Provided always that any capital paid up on a share during the period in respect of which a dividend is declared shall unless otherwise resolved be only entitled the holder of such share to a proportionate amount of such dividend from the date of payment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 222.                         | No member shall be entitled to receive payment of any dividend in respect of any share or shares on which the Company has a lien, or whilst any amount due or owing from time to time to the Company, either alone or jointly with any other person or persons, in respect of such share or shares, or on any other account whatsoever, remains unpaid, and the Directors may retain, apply and adjust such dividend in or towards satisfaction of all debts, liabilities, or engagements in respect of which the lien exists, and of all such money due as aforesaid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

| Articles No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| 223.         | The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member, or which any person under the same clause is entitled to transfer, until such person shall become a member in respect thereof or shall duly transfer the same.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 224.         | <ul style="list-style-type: none"> <li>i. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</li> <li>ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</li> </ul>                                                                                                                                                                      |
| 225.         | <ul style="list-style-type: none"> <li>i. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.</li> <li>ii. Capital paid-up in advance of calls shall not confer a right to dividend or to participate in profits.</li> <li>iii. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</li> </ul>                 |
| 226.         | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 227.         | <ul style="list-style-type: none"> <li>i. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct, within thirty days of the date on which such dividend is declared by the Company.</li> <li>ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</li> <li>iii. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by forged endorsements on any cheque or warrant, or the fraudulent or improper recovery thereof by any other means.</li> </ul> |
| 228.         | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 229.         | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 230.         | No dividends shall be payable except out of profits of the Company of the year or any other undistributed profits and no dividend shall carry interest against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 231.         | A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 232.         | No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his bankers or any other person as permitted by applicable law.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 233.         | No dividend shall be payable except in cash. Provided that nothing herein shall be deemed to prohibit the capitalisation of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the Company. Provided further that any dividend payable in cash may be paid in cheque or warrant or in any electronic mode to the Member entitled to the payment of the dividend.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 234.         | Any General Meeting declaring a dividend may make a Call on the Members of such amount                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

| Articles No.      | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|                   | as the meeting fixes and so that the Call be made payable at the same time as the dividend, and the dividend may, if so resolved by the Company in General Meeting be set off against the Calls.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 235.              | The Directors may, if they think fit, call upon the members, when applying for dividends, to produce their share certificates to such person or persons appointed by them in that behalf.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 236.              | <p>Unpaid or Unclaimed Dividend:</p> <ol style="list-style-type: none"> <li>i. Any dividend remaining unpaid or unclaimed after having been declared shall be dealt in accordance with the provisions of the Applicable Law.</li> <li>ii. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within seven days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank and transfer to such account, the total amount of the dividend which remains unpaid or in relation to which no dividend warrant has been posted.</li> <li>iii. Any money transferred to the said special account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the fund known as "Investor Education and Protection Fund" established under the Act.</li> <li>iv. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law and the Company shall comply with the provisions of the Applicable Laws in respect of such dividend.</li> </ol> |
| <b>WINDING UP</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 237.              | <p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <ol style="list-style-type: none"> <li>i. If the company shall be wound up, the liquidator may, with the sanction of a special Resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</li> <li>ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</li> <li>iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</li> </ol>                                                                                                                                                                                                                                     |
| 238.              | If upon the winding-up of the Company, the surplus assets shall be more than sufficient to repay the whole of the paid-up capital, the excess shall be distributed amongst the members in proportion to the capital paid or which ought to have been paid-up on the shares at the commencement of the winding-up held by them respectively, other than the amounts paid in advance of calls. If the surplus assets shall be insufficient to repay the whole of the paid-up capital, such surplus assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively, other than the amounts paid by them in advance of calls. But this Article is without prejudice to the rights of the holders of any shares issued upon special terms and conditions and shall not be construed so as to or be deemed to confer upon them any rights greater than those conferred by the terms and conditions of issue.                                                                                                                                                                                          |
| 239.              | <p>If the Company shall be wound-up whether voluntarily or otherwise, the following provisions shall take effect:</p> <ol style="list-style-type: none"> <li>(a) the Liquidator may, with the sanction of a Special Resolution, divide among the contributories in specie or kind any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributories or any of them, as the Liquidator with the like sanction shall think fit.</li> <li>(b) If thought fit any such division may be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on any contributory who would be prejudiced thereby shall have the right to dissent</li> </ol>                                                                                                                                                                                                    |

| Articles No.    | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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|                 | and shall have ancillary rights as if such determination were a Special Resolution passed pursuant to Section 319 of the said Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|                 | (c) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares, may, within seven days after the passing of the Special Resolution by notice in writing, direct the Liquidator to sell his proportion and pay him the proceeds and the Liquidator shall, if practicable, act accordingly.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 240.            | Any such Liquidator may, irrespective of the powers conferred upon him by the said Act and as an additional power conferring a general or special authority, sell the undertaking of the Company or the whole or any part of its assets for shares fully or partly paid-up or the obligations of or other interest in any other company and may by the contract of sale agree for the allotment to the members directly of the proceeds of sale in proportion to their respective interests in the Company and in case the shares of this Company shall be of different classes, may arrange for the allotment in respect of preference shares of the Company, to obligations of the purchasing company or of shares of the purchasing company with preference or priority over or with a larger amount paid-up than the shares allotted in respect of ordinary shares of this Company and may further by the contract, limit a time at the expiration of which shares, obligations or other interests not accepted or required to be sold, shall be deemed to have been refused and be at the disposal of the Liquidator. |
| 241.            | Upon any sale under the last preceding Article or under the powers given by Section 319 of the said Act, no member shall be entitled to require the Liquidator either to abstain from carrying into effect the sale or the resolution authorising the same or to purchase such member's interest in this Company, but in case any member shall be unwilling to accept the share, obligations or interests to which under such sale he would be entitled, he may, within seven days of the passing of the resolution authorising the sale, by notice in writing to the Liquidator, require him to sell such shares, obligations or interests and thereupon the same shall be sold in such manner as the Liquidator may think fit and the proceeds shall be paid over to the member requiring such sale.                                                                                                                                                                                                                                                                                                                     |
| <b>ACCOUNTS</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 242.            | 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: <ol style="list-style-type: none"> <li>1. all sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure take place;</li> <li>2. all sales and purchase of goods by the Company; and</li> <li>3. the assets and liabilities of the Company.</li> <li>4. The items of cost, if any-as specified in the relevant Rules.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 243.            | Proper books of account 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 Proper books of account 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 244.            | The books of account referred to in clause (1) and (2) shall be such books as are necessary to give a true and fair view of the state of affairs of the Company or such branch office and to explain its transaction.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 245.            | The books of accounts and other Books and Papers shall be open to inspection by any Directors during business hours.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 246.            | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 247.            | 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 of 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 248.            | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

| Articles No.                                                 | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 249.                                                         | 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. Financial Statements shall comply with the provisions of Section 129 and 133 of the said Act and shall be signed in accordance with the provisions of Section 134 of the said Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 250.                                                         | The Directors shall make out 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 251.                                                         | 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 ninety five 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. |
| 252.                                                         | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 253.                                                         | 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 days of the annual general meeting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 254.                                                         | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 255.                                                         | Every account when audited and approved by a General Meeting shall be conclusive.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>INDEMNITY TO AND PROTECTION OF DIRECTORS AND OFFICERS</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 256.                                                         | The Board shall be entitled to meet out of the funds of the Company to defend, every officer of the Company as defined by Section 2(59) of the said Act, or any person (whether an officer of the Company or not) employed by the Company, against all claims made on them (including losses, expenses, fines, penalties or such levies), in or about the discharge of their respective duties.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 257.                                                         | Every Officer of the Company, as defined by Section 2(59) of the said Act, or any person (whether an Officer of the Company or not) employed by the Company, shall be entitled to direct the company to meet all claims, losses, expenses, fines, penalties or such other levies, expended by them, respectively in or about the discharge of their respective duties, out of the funds of the Company against all such liabilities, including attorney fees, incurred by them in defending any proceedings under the Act, or other laws applicable to the Company, and/or its subsidiaries in any jurisdiction.                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 258.                                                         | The Company may take and maintain any insurance as the Board may think fit on behalf of its directors (present and former), other employees and the Key Managerial Personnel, for insurers to directly meet all claims, losses, expenses, fines, penalties or such other levies, or for indemnifying any or all of them against any such liability for any acts in relation to the Company for which they may be liable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 259.                                                         | No Director of the Company, Manager, Secretary, Trustee, Auditor and other officer or servant of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or servant or for joining in any receipts or other act for the sake of conformity merely or for any loss or expenses happening to the Company through the insufficiency or deficiency in point of titles or value of any property acquired by the order of the Directors for or on behalf of the Company or mortgaged to the Company or for                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

| Articles No.                            | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                         | the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation to or with whom any moneys, securities or effects of the Company shall be entrusted or deposited or for any loss occasioned by any error of judgement, omission default or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in relation to the execution or performance of the duties of his office or in relation thereto, unless the same happen through his own dishonesty. |
| 260.                                    | An Independent Director, and a non-executive director not being a promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.                                                                                                                                                                                                                                                                                                                       |
| <b>NOTICES AND SERVICE OF DOCUMENTS</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 261.                                    | It shall be imperative on every member or notify to the Company for registration his place of address in India and if he has no registered address within India to supply to the Company an address within India for giving of notices to him. A member may notify his email address if any, to which the notices and other documents of the company shall be served on him by electronic mode. The Company's obligation shall be satisfied when it transmits the email and the company shall not be responsible for failure in transmission beyond its control.                                                                                                        |
| 262.                                    | Subject to Section 20 of the said Act, a document may be served by the Company on any member thereof by sending it to him by post or by registered post or by speed post or by courier or by delivering at his address (within India) supplied by him to the company for the service of notices to him. The term courier means person or agency who or which delivers the document and provides proof of its delivery.                                                                                                                                                                                                                                                  |
| 263.                                    | Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by any and every notice and other document in respect of such share which previous to his name and address being entered upon the register shall have been duly given to the person from whom he derives his title to such share.                                                                                                                                                                                                                                                                                                         |
| 264.                                    | Any notice required to be given by the Company to the members or any of them and not expressly provided for by these presents shall be sufficiently given, if given by advertisement, once in English and once in a vernacular daily newspaper circulating in the city, town or village in which the registered office of the Company is situate.                                                                                                                                                                                                                                                                                                                       |
| 265.                                    | Any notice or document served in the manner hereinbefore provided shall notwithstanding such member be then dead and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any share, whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint-holder thereof and such service, for all purposes of these presents be deemed a sufficient service of such notice or documents on his heirs, executors, administrators and all person (if any) jointly interested with him in any such shares.                                         |
| 266.                                    | Any notice given by the Company shall be signed (digitally or electronically) by a Director or by the Secretary or some other officer appointed by the Directors and the signature thereto may be written, facsimile, printed, lithographed, photostat.                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 267.                                    | No member shall be entitled to visit any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's working, trading or any matter which is or may be in the nature of a secret, mystery of trade or secret process, which may relate to the conduct of the business of that Company and which in the opinion of the Directors, it will be inexpedient in the interest of the members of the Company to communicate to the public.                                                                                                                                               |
| <b>SECURITY</b>                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 268.                                    | No member shall be entitled to visit any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's working, trading or any matter which is or may be in the nature of a secret, mystery of trade or secret process, which may relate to the conduct of the business of that Company and which in the opinion of the Directors, it will be inexpedient in the interest of the members of the Company to communicate to the public.                                                                                                                                               |
| <b>GENERAL POWER</b>                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 269.                                    | 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |



| Articles No. | Particulars                                                                                                                                                                                                                                                                                      |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | 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 out 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 documents and subsisting 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 Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of this Red Herring Prospectus which will be delivered to the RoC. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Red Herring Prospectus until the Bid/Issue Closing Date.

#### **1. Material Contracts for the Issue**

- i. Issue Agreement dated November 10, 2020 between our Company and the BRLM.
- ii. Registrar Agreement dated November 10, 2020 between our Company and the Registrar to the Issue.
- iii. Cash Escrow and Sponsor Bank Agreement dated January 27, 2021 between our Company, the Registrar to the Issue, the BRLM and the Escrow Collection Bank(s), Refund Banker, Sponsor Bank and Public Issue Bank(s).
- iv. Syndicate Agreement dated January 27, 2021 between our Company and the Syndicate Members.
- v. Underwriting Agreement dated [●] between our Company and the Underwriters.

#### **2. Material Documents**

- i. Certified copies of the updated Memorandum of Association and Articles of Association as amended from time to time.
- ii. Certificate of incorporation dated November 2, 2016.
- iii. Certificate of registration of the regional director order for change of registered office from Delhi to Maharashtra issued to our Company by the RoC on January 8, 2019.
- iv. Fresh certificate of incorporation dated July 8, 2020, consequent upon conversion from private company to public company.
- v. Resolution of the Board of Directors dated September 3, 2020 in relation to the Issue.
- vi. Shareholders' resolution dated September 4, 2020 in relation to the Issue.
- vii. Resolution of the Board of Directors dated November 10, 2020 approving the Draft Red Herring Prospectus.
- viii. Resolution of the Board of Directors dated January 29, 2021 approving this Red Herring Prospectus.
- ix. The examination reports dated January 19, 2021 of the Statutory Auditors, on our Company's Restated Consolidated Financial Information.
- x. Copies of the annual reports of our Company for Fiscal 2018, 2019 and 2020.
- xi. The report on Statement of Possible Tax Benefits dated January 29, 2021 from the Statutory Auditor.
- xii. Consent of the Directors, the BRLM, the Syndicate Members, Legal Counsel to Issue, International Legal Counsel to the Issue, Registrar to the Issue, Escrow Collection Bank(s), Refund Banker, Public Issue Bank(s), Sponsor Bank, Bankers to our Company, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.

- xiii. Consent letter dated January 29, 2021 of the Statutory Auditor to include their name as an expert in relation to their examination reports dated January 19, 2021 on the Restated Consolidated Financial Information and the report on Statement of Possible Tax Benefits dated January 29, 2021 included in this Red Herring Prospectus.
- xiv. Consent from Frost & Sullivan, dated November 5, 2020 in relation to the industry report titled “*Home Health Market in India and Neighbouring Countries*”.
- xv. Scheme of Arrangement under section 230 to 232 read with section 66 and other applicable provisions of Companies Act, 2013 amongst Nectar Biopharma Private Limited, our Company and their respective shareholders and creditors.
- xvi. Order dated April 29, 2020 of National Company Law Tribunal, Mumbai sanctioning the Scheme of Arrangement received by our Company.
- xvii. Agreement dated May 9, 2020 between Nectar Biopharma Private Limited and our Company.
- xviii. Family Partition Deed dated September 10, 2020 executed between our Promoter and includes his wife Smita Goyal, Aryan Goyal and includes his wife Payal Goyal and Sanjiv Goyal and includes his wife Raman Goyal.
- xix. Due Diligence Certificate dated November 10, 2020 addressed to SEBI from the BRLM.
- xx. In principle listing approvals dated December 7, 2020 and December 24, 2020 issued by BSE and NSE respectively.
- xxi. Tripartite agreement dated August 13, 2020 between our Company, NSDL and the Registrar to the Issue.
- xxii. Tripartite agreement dated August 11, 2020 between our Company, CDSL and the Registrar to the Issue.
- xxiii. SEBI observation letter no. SEBI/HO/CFD/DIL1/YJ/KB/OW/P/2021/1/582 dated January 11, 2021 received from SEBI in respect of the DRHP.

Any of the contracts or documents mentioned in this 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**

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Red Herring Prospectus are true and correct.

**SIGNED BY ALL THE DIRECTORS AND CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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**(Saurabh Goyal)**  
**(Chairman and Managing Director)**

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**(Smita Goyal)**  
**(Non-executive Director)**

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**(Rajinder Sharma)**  
**(Non-executive Director)**

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**(Sakshi Mittal)**  
**(Chief Financial Officer)**

**Date:** January 29, 2021

**Place:** Chandigarh

## **DECLARATION**

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Red Herring Prospectus are true and correct.

**SIGNED BY ALL THE DIRECTOR OUR COMPANY**

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**(Vijay Kumar Sharma)**  
**(Independent Director)**

**Date:** January 29, 2021

**Place:** Mumbai

## **DECLARATION**

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Red Herring Prospectus are true and correct.

**SIGNED BY ALL THE DIRECTORS OF OUR COMPANY**

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**(Charu Singh)**  
**(Independent Director)**

**Date:** January 29, 2021

**Place:** Delhi

## **DECLARATION**

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Red Herring Prospectus are true and correct.

**SIGNED BY ALL THE DIRECTORS OUR COMPANY**

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**(Ruchita Agarwal)**  
**(Independent Director)**

**Date:** January 29, 2021

**Place:** Mumbai